

June 2020



Farm Service Agency **Electronic News Service**

NEWSLETTER

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Louisiana FSA Newsletter

Louisiana Farm Service Agency

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Message from Craig A. McCain, FSA State Executive Director

We are hopeful that both you and your family remain safe during these difficult days. As you are aware, our State is currently in Phase 2 of the Reopening of America process outlined by the White House. Please know that FSA is working toward increasing the staff available in the offices to increase our ability to serve your needs. Some offices have met the criteria for increasing staff, others have not. However, regardless of our current operating status, Farm Program and Farm Loan staff are available to meet your needs. Please contact your local County Office for assistance.

Speaking of assistance, there is a way that you can assist us as we strive to serve you. Currently County Offices are in the midst of delivering the CFAP program, which was authorized by the CARES Act as a response to economic losses associated with the COVID pandemic. While CFAP is certainly a very high priority, these same County Offices also have work remaining to complete in 2020

Next State Committee Meeting:

To be determined

Please contact your local FSA Office for questions specific to your operation or parish.

To find contact information for your local office go to www.fsa.usda.gov/la

Do Right and Feed Everyone!

ARCPLC, WHIP+, CRP and acreage reporting. As you know, this is a significant lift. You can assist us by working through any difficulties in the communication processes and by becoming familiar with program requirements and submitting applications, or other required documents in a timely manner. Your local office will work with you to identify the best method of interaction for you, as I cannot accurately predict when all offices will return to business as usual. Therefore, the challenge faced by FSA and yourself, is how do we work together to serve your needs now, even in the current posture. There is no doubt in my mind that working together, we can be successful. For more information about CFAP or other COVID related assistance, or any of the programs or loans offered by FSA, you may contact your local FSA Office or go to www.Farmers.gov/coronavirus.

As always, thank you for all that you do each day to serve our Nation and the World!!!

Upcoming Important Dates

- **June 15** COC nomination period begins
- **June 30** is the last day to signup for 2020 ARCPLC
- **July 3** USDA Service Centers will be closed in observance of Independence Day
- **July 15** is the final acreage reporting date for most seeded spring crops
- **Aug. 1** is the final date to request a reconstitution-combining or dividing farms or tracts of land based on farming operation
- **Aug. 1** COC nomination forms must be postmarked or received in the County Office; *Since Aug. 1 falls on a weekend this year, nomination forms will be accepted through Aug. 3, 2020*
- **Aug. 28** is the last day to apply for CFAP
- **Ongoing into 2020** is the signup period for WHIP+

Louisiana FSA now offers **SMS texting**; receive text message alerts on your cell phone regarding important deadlines, reporting requirements and updates. Contact your local FSA Office for more information.

More information on the CFAP process is available on farmers.gov/cfap or call 877-508-8364.

USDA Issues First Coronavirus Food Assistance Program Payments

U.S. Secretary of Agriculture Sonny Perdue today announced the USDA Farm Service Agency (FSA) has already approved more than \$545 million in payments to producers who have applied for the Coronavirus Food Assistance Program. FSA began taking applications May 26, and the agency has received over 86,000 applications for this important relief program.

In the first six days of the application period, FSA has already made payments to more than 35,000 producers. Out of the gate, the top five states for CFAP payments are Illinois, Kansas, Wisconsin, Nebraska, and South Dakota. USDA has released data on application progress and program payments and will release further updates each Monday at 2:00pm ET. The report can be viewed at farmers.gov/cfap.

FSA will accept applications through **August 28, 2020**. Through CFAP, USDA is making available \$16 billion in financial assistance to producers of agricultural commodities who have suffered a five-

percent-or-greater price decline due to COVID-19 and face additional significant marketing costs as a result of lower demand, surplus production, and disruptions to shipping patterns and the orderly marketing of commodities.

In order to do this, producers will receive 80 percent of their maximum total payment upon approval of the application. The remaining portion of the payment, not to exceed the payment limit, will be paid at a later date nationwide, as funds remain available.

Getting Help from FSA

New customers seeking one-on-one support with the CFAP application process can call 877-508-8364 to speak directly with a USDA employee ready to offer general assistance. This is a recommended first step before a producer engages the team at the FSA county office at their local USDA Service Center.

Producers can download the CFAP application and other eligibility forms from farmers.gov/cfap. Also, on that webpage, producers can find a payment calculator to help producers identify sales and inventory records needed to apply and calculate potential payments. Producers self-certify their records when applying for CFAP and that documentation is not submitted with the application. However, producers may be asked for their documentation to support the certification of eligible commodities, so producers should retain the information used to complete their application.

Those who use the online calculator tool will be able to print a pre-filled CFAP application, sign it, and submit it to your local FSA office either electronically or via hand delivery through an office drop box. Please contact your local office to determine the preferred delivery method for your local office. Team members at FSA county offices will be able to answer detailed questions and help producers apply quickly and efficiently through phone and online tools. Find contact information for your local office at farmers.gov/cfap.

Policy Clarifications

FSA has been working with stakeholder groups to provide further clarification to producers on the CFAP program. For example, the agency has published a matrix of common marketing contracts that impact eligibility for non-specialty crops and has provided a table that crosswalks common livestock terms to CFAP cattle categories. Updated information can be found in the frequently asked questions section of the CFAP website.

More Information

To find the latest information on CFAP, visit farmers.gov/CFAP or call 877-508-8364.

June 30 Last Day to Complete Enrollment for 2020 Agriculture Risk Coverage, Price Loss Coverage Programs

Agricultural producers who have not yet enrolled in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs for 2020 must do so by June 30. Although program elections for the 2020 crop year remain the same as elections made for 2019, all producers need to contact their local USDA Farm Service Agency (FSA) office to sign a 2020 enrollment contract.

To date, more than 1.4 million ARC and PLC contracts have been signed for the 2020 crop year. This represents 89 percent of expected enrollment. FSA will send reminder postcards to producers who, according to agency records, have not yet submitted signed contracts for ARC or PLC for the 2020 crop year.

Producers who do not complete enrollment by close of business local time on Tuesday, June 30 will not be enrolled in ARC or PLC for the 2020 crop year and will be ineligible to receive a payment should one trigger for an eligible crop.

ARC and PLC contracts can be mailed or emailed to producers for signature depending on producer preference. Signed contracts can be mailed or emailed back to FSA or, arrangements can be made in advance with FSA to drop off signed contracts at the FSA county office – call ahead for local drop off and other options available for submitting signed contracts electronically.

Producers are eligible to enroll on farms with base acres for the following commodities: barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium- and short-grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

More Information

For more information on ARC and PLC including web-based decision tools, visit farmers.gov/arc-plc.

USDA Service Centers, including FSA county offices, are open for business by phone only, and field work will continue with appropriate social distancing. While program delivery staff will continue to come into the office, they will be working with producers by phone and using online tools whenever possible. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service or any other Service Center agency are required to call their Service Center to schedule a phone appointment. More information can be found at farmers.gov/coronavirus.

Visit offices.usda.gov to find location and contact information for the nearest FSA county office.

Eligibility for Nominations for the 2020 County Committee Elections

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) county committees are a critical component of the day-to-day operations of FSA and allow grassroots input and local administration of federal farm programs.

Committees are comprised of locally elected agricultural producers responsible for the fair and equitable administration of FSA farm programs in their counties. Committee members are accountable to the Secretary of Agriculture. If elected, members become part of a local decision making and farm program delivery process.

A county committee is composed of three to 11 elected members from local administrative areas (LAA). Each member serves a three-year term. To be eligible for nomination and hold office as a committee member or alternate, a person must fulfill each of the following requirements: (1) be a producer with an interest in farming or ranching operations, (2) participate or cooperate in any FSA program provided for by law, (3) be a U.S. citizen, (4) be of legal voting age, (5) meet the basic eligibility requirements, and (6) reside in the county or multi-county jurisdiction in which they will be serving.

All nomination forms for the 2020 election must be postmarked or received in the local USDA Service Center by Aug. 1, 2020 (or next business day). For more information on FSA county committee elections and appointments, refer to the FSA fact sheet: *Eligibility to Vote and Hold Office as a COC Member* available online at: fsa.usda.gov/elections.

Farm Reconstitutions

When changes in farm ownership or operation take place, a farm *reconstitution* is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

To be effective for the current Fiscal Year (FY), farm combinations and farm divisions must be requested by **August 1 of the FY** for farms subject to the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. A reconstitution is considered to be requested when all:

- of the required signatures are on FSA-155
- other applicable documentation, such as proof of ownership, is submitted.

Total Conservation Reserve Program (CRP) and non-ARC/PLC farms may be reconstituted at any time.

The following are the different methods used when doing a farm recon:

Estate Method — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

DCP Cropland Method — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

Default Method — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

5 Steps to Complete After Spring Planting

With #Plant2020 in the rear-view mirror, it's time to think about next steps on your farm.

Your USDA team understands that the real work continues after planting. We know the rest of spring and summer will be spent scouting crops, irrigating or waiting for timely rains for your non-irrigated fields, and monitoring weed and insect pressure.

Before you get too busy, there are five things to keep in mind after planting

Communication is Key in Lending

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be a success. A part of ensuring this success is providing guidance and counsel from the loan application process through the borrower's graduation to commercial lending institutions. While it is FSA's commitment to advise borrowers as they identify goals and evaluate progress, it is crucial for

borrowers to communicate with their farm loan staff when changes occur. It is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation;
- Any significant changes to family income or expenses;
- The development of problem situations;
- Any losses or proposed significant changes in security

In addition, if a farm loan borrower cannot make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options.

For more information on FSA farm loan programs, visit fsa.usda.gov.

USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning Farmers

The USDA Farm Service Agency (FSA) reminds producers that FSA offers targeted farm ownership and farm operating loans to assist underserved applicants as well as beginning farmers and ranchers.

USDA defines underserved applicants as a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. For farm loan program purposes, targeted underserved groups are women, African Americans, American Indians and Alaskan Natives, Hispanics and Asians and Pacific Islanders.

Underserved or beginning farmers and ranchers who cannot obtain commercial credit from a bank can apply for either FSA direct loans or guaranteed loans. Direct loans are made to applicants by FSA. Guaranteed loans are made by lending institutions who arrange for FSA to guarantee the loan. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. The FSA guarantee allows lenders to make agricultural credit available to producers who do not meet the lender's normal underwriting criteria.

The direct and guaranteed loan program provides for two types of loans: farm ownership loans and farm operating loans. In addition to customary farm operating and ownership loans, FSA now offers Microloans through the direct loan program. The focus of Microloans is on the financing needs of small, beginning farmer, niche and non-traditional farm operations. Microloans are available for both ownership and operating finance needs. To learn more about microloans, visit fsa.usda.gov/microloans.

To qualify as a beginning producer, the individual or entity must meet the eligibility requirements outlined for direct or guaranteed loans. Additionally, individuals and all entity members must have operated a farm for less than 10 years. Applicants must materially or substantially participate in the operation.

For more information on FSA's farm loan programs and targeted underserved and beginning farmer guidelines, visit fsa.usda.gov/farmloans.

Report Noninsured Crop Disaster Assistance Program (NAP) Losses

The Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occur

due to natural disasters including freeze, hail, excessive moisture, excessive wind or hurricanes, flood, excessive heat and qualifying drought (includes native grass for grazing), among others.

Eligible producers must have purchased NAP coverage for 2020 crops. A notice of loss must be filed the earlier of 15 days of the occurrence of the disaster or when losses become apparent or 15 days of the final harvest date.

Producers of hand-harvested crops and certain perishable crops must notify FSA within 72 hours of when a loss becomes apparent.

Eligible crops must be commercially produced agricultural commodities for which crop insurance is not available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

For more information on NAP, contact your local FSA office or visit fsa.usda.gov/nap.

FSA Adds Farm Loan Flexibilities

Farm loans are critical for annual operating and family living expenses, emergency needs and cash flow, especially in tough times. The Farm Service Agency (FSA) is providing additional flexibilities to provide producers with credit options. We encourage direct loan applicants and borrowers to contact their county office to discuss these programs and any current, and future, temporary changes to farm loan deadlines and the loan servicing options available. Customers participating in FSA's guaranteed loan programs are encouraged to contact their lender. For a full list of flexibilities, visit farmers.gov/coronavirus

Current Interest Rates for June

- Farm Operating Loans — Direct 1.375%
- Farm Ownership Loans — Direct 2.250%
- Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher — 1.50%
- Emergency Loans — 2.375%
- Farm Storage Facility Loans (3 years) — 0.250%
- Farm Storage Facility Loans (5 years) — 0.375%
- Farm Storage Facility Loans (7 years) — 0.500%
- Farm Storage Facility Loans (10 years) — 0.625%
- Farm Storage Facility Loans (12 years) — 0.750%
- Sugar Storage Facility Loans (15 year term) — 0.875%
- Commodity Loans — 1.125%

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).