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Farm Service Agency Electronic News Service

NEWSLETTER

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Maryland FSA Newsletter

Maryland Farm Service Agency

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State Executive Director: Jim Eichhorst

More than \$7 Billion Paid in Second Round of USDA Coronavirus Food Assistance Program

USDA announced that in the first month of the application period, the Farm Service Agency (FSA) approved more than \$7 billion in payments to producers in the second round of the Coronavirus Food Assistance Program. CFAP 2 provides agricultural producers with financial assistance to help absorb some of the increased marketing costs associated with the COVID-19 pandemic.

Since CFAP 2 enrollment began on September 21, FSA has approved more than 443,000 applications. The top five states for payments are Iowa, Nebraska, Minnesota, Illinois and Kansas. USDA has released a data dashboard on application progress and

State Committee:
Jenny Rhodes, Chairperson
Steve Ernst
Steve Issacson
Pat Langenfelder
Chris Parker

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

program payments and will release further updates each Monday at 2:00 p.m. ET. The report can be viewed at farmers.gov/cfap.

Through CFAP 2, USDA is making available up to \$14 billion for agricultural producers who continue to face market disruptions and associated costs because of COVID-19. CFAP 2 is a separate program from the first iteration of CFAP (CFAP 1). Farmers and ranchers who participated in CFAP 1 will not be automatically enrolled and must complete a new application for CFAP 2. FSA will accept CFAP 2 applications through December 11, 2020.

Eligible Commodities

CFAP 2 supports eligible producers of row crops, livestock, specialty crops, dairy, aquaculture, and many other commodities, including many that were ineligible for CFAP 1. FSA's CFAP 2 Eligible Commodities Finder makes finding eligible commodities and payment rates simple. Access this tool and other resources at farmers.gov/cfap.

Getting Help from FSA

New customers seeking one-on-one support with the CFAP 2 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.

FSA offers multiple options for producers to apply for CFAP 2. Producers with an eAuthentication account can apply online through the CFAP 2 Application Portal. Also available is a payment calculator and application generator that is an Excel workbook that allows producers to input information specific to their operation to determine estimated payments and populate the application form, which can be printed, signed, and submitted to the local FSA office. Producers can also download the CFAP 2 application and other eligibility forms from farmers.gov/cfap.

Producers of acreage-based commodities will use acreage and yield information provided by FSA through the annual acreage reporting process. Producers have the option to complete their application by working directly with their local FSA staff or online through the CFAP 2 Application Portal.

CFAP 2 is not a loan program, and there is no cost to apply.

More Information

To find the latest information on CFAP 2, visit https://www.farmers.gov/cfap or call 877-508-8364.

USDA to Open Signup for the Conservation Reserve Program and CRP Grasslands in Early 2021

USDA today announced the 2021 signup periods for general Conservation Reserve Program (CRP) and CRP Grasslands offers. *General signup for CRP will be open from January 4, 2021 to February 12, 2012; signup for CRP Grasslands runs from March 15, 2021 to April 23, 2021.* Both programs are competitive and provide annual rental payments for land devoted to conservation purposes.

CRP and the many focused programs that come under it, like CRP Grasslands, are some of the most critical tools to help producers better manage their operations while conserving natural resources. CRP has proven to protect the Nation's valuable resources. Next year's signup gives farmers and ranchers an opportunity to enroll in CRP for the first time or continue their participation for another term.

Producers may apply by contacting their FSA office.

Enrollment Begins for Agriculture Risk Coverage and Price Loss Coverage Programs for 2021

Agricultural producers can now make elections and enroll in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2021 crop year. The signup period opened Tuesday, Oct. 13. These key U.S. Department of Agriculture (USDA) safety-net programs help producers weather fluctuations in either revenue or price for certain crops, and more than \$5 billion in payments are in the process of going out to producers who signed up for the 2019 crop year.

Enrollment for the 2021 crop year closes March 15, 2021.

ARC provides income support payments on historical base acres when actual crop revenue declines below a specified guaranteed level. PLC provides income support payments on historical base acres when the effective price for a covered commodity falls below its reference price.

Covered commodities include 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.

2021 Elections and Enrollment

Producers can elect coverage and enroll in crop-by-crop ARC-County or PLC, or ARC-Individual for the entire farm, for the 2021 crop year. Although election changes for 2021 are optional, enrollment (signed contract) is required for each year of the program. If a producer has a multi-year contract on the farm and makes an election change for 2021, it will be necessary to sign a new contract.

If an election is not submitted by the deadline of March 15, 2021, the election defaults to the current election for crops on the farm from the prior crop year.

For crop years 2022 and 2023, producers will have an opportunity to make new elections during those signups. Farm owners cannot enroll in either program unless they have a share interest in the farm.

2019 Crop Year ARC and PLC Payments

FSA began processing payments last week for 2019 ARC-County (ARC-CO) and PLC on covered commodities that met payment triggers on farms enrolled for the 2019 crop year. In addition to the \$5 billion now in process, FSA anticipates it will issue additional payments by the end of November

for 2019 commodities covered under ARC-Individual (ARC-IC) and additional commodities that trigger PLC and ARC-CO payments for which rates have not yet been published

Producers who had 2019 covered commodities enrolled in ARC-CO can visit the <u>ARC and PLC webpage</u> for payment rates applicable to their county and each covered commodity. For farms and covered commodities enrolled in 2019 PLC, the following crops met payment triggers: barley, canola, chickpeas (small and large), corn, dry peas, grain sorghum, lentils, peanuts, seed cotton and wheat.

Oats and soybeans did not meet 2019 PLC payment triggers.

2019 PLC payment rates for the following covered commodities have not been determined: crambe, flaxseed, long and medium grain rice, mustard seed, rapeseed, safflower, sesame seed, sunflower seed and temperate Japonica rice. Payment rates for these commodities will be announced at a later date.

Web-Based Decision Tools

In partnership with USDA, the University of Illinois and Texas A&M University offer web-based decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. Tools include:

- <u>Gardner-farmdoc Payment Calculator</u>, the University of Illinois tool that offers farmers the ability to run payment estimate modeling for their farms and counties for ARC-County and PLC
- ARC and PLC Decision Tool, the Texas A&M tool allows producers to analyze payment
 yield updates and expected payments for 2021. Producers who have used the tool in the
 past should see their username and much of their farm data already available in the
 system. For more information on ARC and PLC, including two online decision tools that
 assist producers in making enrollment and election decisions specific to their operations,
 visit the ARC and PLC webpage.
- For additional questions and assistance, contact your local USDA service center. To locate your local FSA office, visit farmers.gov/service-locator.
- More Information

All USDA Service Centers are open for business, including some that are open to visitors to conduct business in person by appointment only. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service, or any other Service Center agency should call ahead and schedule an appointment. Service Centers that are open for appointments will prescreen visitors based on health concerns or recent travel, and visitors must adhere to social distancing guidelines. Visitors are required to wear a face covering during their appointment. Field work will continue with appropriate social distancing. Our program delivery staff will be in the office, and they will be working with our producers in office, by phone, and using online tools. More information can be found at farmers.gov/coronavirus

Dairy Margin Coverage Program Enrollment for 2021 Opens Oct. 13

The U.S. Department of Agriculture (USDA) will begin accepting applications for the Dairy Margin Coverage (DMC) program on Tuesday, October 13, 2020 for 2021 enrollment.

Signup runs through Dec. 11, 2020. DMC is a voluntary risk management program that offers protection to dairy producers when the difference between the all-milk price and the average feed price (the margin) falls below a certain dollar amount selected by the producer. DMC payments triggered for seven months in 2019 and three months so far in 2020. More than 23,000 operations enrolled in DMC in 2019, and more than 13,000 in 2020.

To determine the appropriate level of coverage for a specific dairy operation, producers can utilize the recently updated online dairy decision tool. The decision tool is designed to assist producers with calculating total premium costs and administrative fees associated with participation in DMC. An informational video is available, too.

Improvements to the decision tool, made in cooperation with representatives from the University of Minnesota and University of Wisconsin, include historical analysis that illustrates what DMC indemnity payments might have been had the program been available over the previous two decades. The analysis indicates that over the course of time, DMC payments made to producers exceed premiums paid. These decision tool enhancements provide a more comprehensive decision support experience for producers considering DMC.

In addition to DMC, USDA offers a variety of programs that have helped dairy producers, including insurance, disaster assistance, and conservation programs. Most recently, the Coronavirus Food Assistance Program 1 provided \$1.75 billion in direct relief to dairy producers who faced price declines and additional marketing costs due to COVID-19 in early 2020. Now, signup is underway for the Coronavirus Food Assistance Program 2, which provides another round of assistance for dairy producers and many other eligible producers.

For more information, visit farmers.gov DMC webpage, or contact your local USDA Service Center. To locate your local FSA office, visit farmers.gov/service-center-locator.

All USDA Service Centers are open for business, including some that are open to visitors to conduct business in person by appointment only. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service, or any other Service Center agency should call ahead and schedule an appointment. Service Centers that are open for appointments will prescreen visitors based on health concerns or recent travel, and visitors must adhere to social distancing guidelines. Visitors are required to wear a face covering during their appointment. Field work will continue with appropriate social distancing. Our program delivery staff will be in the office, and they will be working with our producers in office, by phone, and using online tools.

More information can be found at farmers.gov/coronavirus.

USDA Reminds Producers to Complete Crop Acreage Reports for Fall-Seeded Crops

The USDA Farm Service Agency (FSA) reminds agricultural producers in Maryland to complete crop acreage reports by the *December 15th* for fall-seeded small grains.

To complete your acreage report, please call your County FSA office. FSA can work with producers to file timely acreage reports by phone, email, online tools and virtual meetings as well as by appointment.

County FSA offices may provide maps to producers along with instructions for completing and

returning the maps through either mail, email or through commercially available free and secure online tools such as Box for file sharing and OneSpan for eSignature solutions. After planting is complete, producers must return the signed form certifying their acreage report to the FSA office through mail, email, or Box by **December 15th.**

The following exception applies to acreage reporting dates:

• If the crop has not been planted by the acreage reporting date, the acreage must be reported no later than 15 calendar days after planting is completed.

Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP-covered crops is the earlier of the dates listed above or 15 calendar days before grazing or harvesting of the crop begins.

For questions, please call the your local County FSA office.

FSA Offers Joint Financing Option on Direct Farm Ownership Loans

The USDA Farm Service Agency's (FSA) Direct Farm Ownership loans can help farmers and ranchers become owner-operators of family farms, improve and expand current operations, increase agricultural productivity, and assist with land tenure to save farmland for future generations.

There are three types of Direct Farm Ownership Loans: regular, down payment and joint financing. FSA also offers a Direct Farm Ownership Microloan option for smaller financial needs up to \$50,000.

Joint financing allows FSA to provide more farmers and ranchers with access to capital. FSA lends up to 50 percent of the total amount financed. A commercial lender, a State program or the seller of the property being purchased, provides the balance of loan funds, with or without an FSA guarantee. The maximum loan amount for a joint financing loan is \$600,000, and the repayment period for the loan is up to 40 years.

The operation must be an eligible farm enterprise. Farm Ownership loan funds cannot be used to finance nonfarm enterprises and all applicants must be able to meet general eligibility requirements. Loan applicants are also required to have participated in the business operations of a farm or ranch for at least three years out of the 10 years prior to the date the application is submitted. The applicant must show documentation that their participation in the business operation of the farm or ranch was not solely as a laborer.

For more information about farm loans, contact your County USDA Service Center or visit https://www.fsa.usda.gov/.

FSA Offers Loan Servicing Options

There are options for Farm Service Agency (FSA) loan customers during financial stress. If you are a borrower who is unable to make payments on a loan, contact your local FSA Farm Loan Manager to learn about your options.

Wrapping up #Harvest2020 and Preparing for the Next Crop Year

USDA followed the #Plant2020 and #Harvest2020 progress across the country as farmers like you shared photos and videos, giving us a glimpse into planting and harvesting on your operation. From preparing the ground to harvesting the last acre, we know it's been a busy and unusual year.

#Harvest2020

So far, we've received photo and video submissions from 32 states. Our #Harvest2020 campaign is still running, so there's still time to put your operation on the map. You can share your harvest progress by sending an email to sharingoursuccesses@usda.gov with landscape-orientation photos or videos under 10 seconds, a short description of your photo or video, your city and state, and your Twitter handle, if you have one.

Preparing for the Next Crop Year

With #Harvest2020 wrapping up across the country, it's time to think ahead about the approaching 2021 crop year. We agree that you should definitely celebrate the end of harvest and enjoy the holidays, but going into the next crop year with a plan is always a good idea.

To read USDA's five things to consider to help you plan for the next crop year visit farmers.gov/connect/blog/conservation/wrapping-harvest2020-and-preparing-next-crop-year.



USDA Service Centers are Here to Help!

At USDA, we are committed to helping farmers complete loan applications, environmental reviews, and other paperwork free of charge. One-on-one support is available at more than 2,300 USDA Service Centers nationwide. USDA's Farm Service Agency and Natural Resources Conservation Service staff are usually co-located at these Service Centers, and can help guide farmers to the best USDA assistance based on their unique goals, whether it is loans, conservation programs, or insurance.

Service Center staff can guide farmers through the process of preparing and submitting required paperwork on their own, with no need to hire a paid preparer. Language translation service is available in all USDA Service Centers, so one-on-one assistance with a Service Center employee can be translated in real time for farmers requiring it. And while some program and loan applications do have an administrative fee for filing, there is never a charge for preparation services provided by USDA staff.

Farmers who come to the USDA Service Center can:

- Establish their farm by registering for a farm number, which is required for USDA programs and assistance.
- Learn how to meet conservation compliance provisions.
- Verify eligibility for USDA programs.
- Discuss their business and conservation goals.
- Create a conservation plan.
- Fill out and file loan and program applications.

To find the nearest USDA Service Center, visit https://www.farmers.gov/service-center-locator.

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).