

New Mexico FSA State Newsletter - September 2021

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Message from the Acting State Executive Director

Brenda Archuleta, Acting State Executive Director, would like to inform/remind producers of the following:

County Office Operations

Most NM Service Centers are currently operating at up to 75% office staffing and may accept visitors by appointment only. To make an appointment contact your local service center.

To learn about alternative methods of conducting business with FSA and Service Center status visit Farmers.gov.

Office Closures

Oct 12 Columbus Day

Nov 12 Veteran's Day

Program Deadlines

Oct 12 Coronavirus Food Assistance Program (CFAP) 2

Oct 12 Pandemic Livestock Indemnity Program

Oct 15 Pandemic Assistance for Timber Harvesters and Haulers Program (PATHH)

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Nov 1 Organic Crop Cost Share Program (OCCSP)

Note that this list may not include every deadline. Check with your <u>local USDA Service Center</u> to learn about all available programs, and programs that have local or state deadlines.

Farmers.gov

If you haven't already, be sure to visit Farmers.gov to create an account. Farmers.gov is a secure online customer portal and employee portal designed to improve program delivery efficiency and effectiveness. The website contains program information including but not limited to active farm programs, program deadlines, recent news, and several tools to assist customers obtain information at the click of a mouse or tap of a screen.

FSA Direct and Guaranteed Loan Borrowers

Please be sure to contact your local FSA Farm Loan Office or your Guaranteed Loan Lender BEFORE entering into ANY lease on real estate that is pledged as security for a loan. The proposed lease agreement(s) will need to be reviewed by FSA to ensure that your loan(s) will remain compliant with program regulations if the lease goes into effect.

The New Mexico Farm Service Agency is committed to your success! Please visit your local Service Center if you have questions or to learn more about how we may be of further assistance.

USDA Updates Pandemic Assistance for Livestock, Poultry Contract Producers and Specialty Crop Growers

USDA Sets October 12 Deadline for CFAP 2

The U.S. Department of Agriculture (USDA) is updating the Coronavirus Food Assistance Program 2 (CFAP 2) for contract producers of eligible livestock and poultry and producers of specialty crops and other sales-based commodities. CFAP 2, which assists producers who faced market disruptions in 2020 due to COVID-19, is part of USDA's broader Pandemic Assistance for Producers initiative. Additionally, USDA's Farm Service Agency (FSA) has set an Oct. 12 deadline for all eligible producers to apply for or modify applications for CFAP 2.

Assistance for Contract Producers

The Consolidated Appropriations Act, 2021, provides up to \$1 billion for payments to contract producers of eligible livestock and poultry for revenue losses from Jan. 1, 2020, through Dec. 27, 2020. Contract producers of broilers, pullets, layers, chicken eggs, turkeys, hogs and pigs, ducks, geese, pheasants and quail may be eligible for assistance. This update includes eligible breeding stock and eggs of all eligible poultry types produced under contract.

Payments for contract producers were to be based on a comparison of eligible revenue for the periods of Jan. 1, 2019, through Dec. 27, 2019, and Jan. 1, 2020, through Dec. 27, 2020. Today's changes mean contract producers can now elect to use eligible revenue from the period of Jan. 1, 2018, through Dec. 27, 2018, instead of that date range in 2019 if it is more representative. This change is intended to provide flexibility and make the program more equitable for contract producers who had reduced revenue in 2019 compared to a normal production year. The difference in revenue is then multiplied by 80% to determine a final

payment. Payments to contract producers may be factored if total calculated payments exceed the available funding and will be made after the application period closes.

Additional flexibilities have been added to account for increases to operation size in 2020 and situations where a contract producer did not have a full period of revenue from Jan. 1 to Dec. 27 for either 2018 or 2019. Assistance is also available to new contract producers who began their farming operation in 2020.

Updates for Sales-Based Commodities

USDA is amending the CFAP 2 payment calculation for sales-based commodities, which are primarily comprised of by specialty crops, to allow producers to substitute 2018 sales for 2019 sales. Previously, payments for producers of sales-based commodities were based only on 2019 sales, with 2019 used as an approximation of the amount the producer would have expected to market in 2020. Giving producers the option to substitute 2018 sales for this approximation, including 2018 crop insurance indemnities and 2018 crop year Noninsured Disaster Assistance Program (NAP) and Wildfire and Hurricane Indemnity Program Plus (WHIP+) payments, provides additional flexibility to producers of sales-based commodities who had reduced sales in 2019.

Grass seed has also been added as an eligible sales commodity for CFAP 2. A complete list of all eligible sales-based commodities can be found at farmers.gov/cfap2/commodities. Producers of sales-based commodities can modify existing applications.

Applying for Assistance

Newly eligible producers who need to submit a CFAP 2 application or producers who need to modify an existing one can do so by contacting their local FSA office. Producers can find their local FSA office by visiting farmers.gov/service-locator. Producers can also obtain one-on-one support with applications by calling 877-508-8364. All new and modified CFAP 2 applications are due by the Oct. 12 deadline.

FSA Implements Set-Aside Loan Provision for Customers Impacted by COVID-19

Set-Aside Delays Loan Payments for Borrowers

USDA's Farm Service Agency (FSA) will broaden the use of the Disaster Set-Aside (DSA) loan provision, normally used in the wake of natural disasters, to allow farmers with USDA farm loans who are affected by COVID-19, and are determined eligible, to have their next payment set aside. In some cases, FSA may also set aside a second payment for farmers who have already had one payment set aside because of a prior designated disaster.

FSA direct loan borrowers will receive a letter with the details of the expanded Disaster Set-Aside authorities, which includes the possible set-aside of annual operating loans, as well as explanations of the additional loan servicing options that are available. To discuss or request a loan payment Set-Aside, borrowers should call or email the farm loan staff at their local FSA county office.

The set-aside payment's due date is moved to the final maturity date of the loan or extended up to twelve months in the case of an annual operating loan. Any principal set-aside will continue to accrue interest until it is repaid. This aims to improve the borrower's cashflow in the current production cycle.

FSA previously announced it was relaxing the loan-making process and adding flexibilities for servicing direct and guaranteed loans to provide credit to producers in need. Direct loan applicants and borrowers are encouraged to contact their local FSA county office to discuss loan making and servicing flexibilities and other needs or concerns. Customers participating in FSA's guaranteed loan programs are encouraged to contact their lender. Information on these flexibilities, and office contact information, can be found on farmers.gov/coronavirus.

FSA will be accepting most forms and applications by facsimile or electronic signature. Some services are also available online to customers with an eAuth account, which provides access to the <u>farmers.gov</u> portal where producers can view USDA farm loan information and certain program applications and payments. Customers can track payments, report completed practices, request conservation assistance and electronically sign documents. Customers who do not already have an eAuth account can enroll at <u>farmers.gov/sign-in</u>.

Progression Lending from FSA

Farm Service Agency (FSA) farm loans are considered progression lending. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Our goal is to help you graduate to commercial credit, and our farm loan staff is available to help borrowers through training and credit counseling.

The FSA team will help borrowers identify their goals to ensure financial success. FSA staff will advise borrowers on developing strategies and a plan to meet your goals and graduate to commercial credit. FSA borrowers are responsible for the success of their farming operation, but FSA staff will help in an advisory role, providing the tools necessary to help you achieve your operational goals and manage your finances.

For more information on FSA farm loan programs, contact your County USDA Service Center or visit <u>fsa.usda.gov</u>.

NASS to send 2021 Hemp Acreage and Production survey this fall

This October, USDA's National Agricultural Statistics Service will mail its first **Hemp Acreage** and **Production**

Survey. The survey will collect information on the total planted and harvested area, yield, production, and value of hemp in the United States.

The Domestic Hemp Production Program established in the Agriculture Improvement Act of 2018 (2018 Farm Bill) allows for the cultivation of hemp under certain conditions. The Hemp Acreage and Production survey will provide needed data about the hemp industry to assist

producers, regulatory agencies, state governments, processors, and other key industry entities.

Producers may complete the survey online at <u>agcounts.usda.gov</u> or they may complete and return the survey by mail using the return envelope provided.

Learn more about the survey at nass.usda.gov/go/hemp.

Know your Final Planting Dates

All producers are encouraged to contact their local FSA office for more information on the final planting date for specific crops. The final planting dates vary by crop, planting period and county so please contact your local FSA office for a list of county-specific planting deadlines. The timely planting of a crop, by the final planting date, may prevent loss of program benefits.

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