#### March 2020





## Farm Service Agency Electronic News Service

# NEWSLETTER

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# **New York State FSA Newsletter**

### New York State Farm Service Agency

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www.fsa.usda.gov/ny

**State Executive Director:** Clark Putman

State Committee:
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Michael Bittel
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## Monday, March 16 Is the Last Day to Schedule an Appointment with Your FSA Office For Agriculture Risk Coverage and Price Loss Coverage Enrollment

Agricultural producers who have not yet completed their 2019 crop year elections for and enrollment in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs must schedule an appointment to do so with their local USDA Farm Service Agency (FSA) by Monday, March 16.

To date, more than 1.4 million contracts have been signed for the 2019 crop year. This represents 89 percent of expected enrollment with less than a week left for producers to get on FSA's appointment books.

Producers who do not contact FSA for an appointment by

Barbara Hanselman

**Executive Officer:** 

Mark Dennis

Farm Loan Chief: John Liddington

To find contact information for your local New York office click here.

#### March Interest Rates:

# Farm Storage Facility Loans:

3 year: 1.375% 5 year: 1.375% 7 year: 1.50% 10 year: 1.625% 12 year: 1.625%

Commodity Loans: 2.5%

Farm Loan Programs:

Farm Operating: 2.625% Farm Ownership: 3.25% Conservation Loans: 3.25% Direct Down Payment: 1.5%

Joint Financing: 2.5%

close of business local time on Monday, March 16 will not be enrolled in ARC or PLC for the 2019 crop year and will be ineligible to receive a payment should one trigger for an eligible crop.

ARC and PLC provide income support to farmers from substantial drops in crop prices or revenues and are vital economic safety nets for most American farms.

The programs cover 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, download our <u>program fact</u> <u>sheet</u> or our <u>2014-2018 farm bills comparison fact sheet</u>. Online ARC and PLC election decision tools are available at www.fsa.usda.gov/arc-plc.

Visit <u>farmers.gov/service-locator</u> to find location and contact information for the nearest FSA county office.

#### **Dates To Remember**

March 16 Sign-Up Deadline for 2019 Crop Year of Agriculture Risk Coverage and Price Loss Coverage Programs (ARC/PLC)

March 16 NAP Application Deadline for most annual vegetables and fruits, as well as buckwheat, hemp, hops, millet, sorghum grain, soybeans and sunflowers.

## **USDA Announces CRP-Grasslands Signup Dates**

Farmers and ranchers may apply to enroll grasslands in the Conservation Reserve Program (CRP) Grasslands signup beginning March 16. **The signup runs through May 15.** 

Through CRP Grasslands, participants retain the right to conduct common grazing practices, such as haying, mowing or harvesting seed from the enrolled land. Timing of some activities may be restricted by the primary nesting season of birds.

Participants will receive an annual rental payment and may receive up to 50 percent cost-share for establishing approved conservation practices. The duration of the CRP contract is either 10 or 15 years. FSA will rank applications using a number of factors including existence of expiring CRP land, threat of conversion or development, existing grassland, and predominance of native species cover, and cost.

The 2018 Farm Bill set aside 2 million acres for CRP Grassland enrollment. CRP is one of the largest conservation programs at USDA. CRP marks its 35-year anniversary in 2020 with 22 million acres currently enrolled.

For more information or to enroll in CRP Grasslands, contact your local FSA county office or visit <u>fsa.usda.gov/crp</u>. To locate your local FSA office, visit <u>farmers.gov/service-locator</u>.

## **USDA Announces Updates for Honeybee Producers**

The U.S. Department of Agriculture's Farm Service Agency (FSA) announced updates to the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP). These updates include changes required by the 2018 Farm Bill as well as discretionary changes intended to improve the administration of the program and clarify existing program requirements. ELAP was previously administered based on FSA's fiscal year but will now run according to the calendar year. Producers are still required to submit an application for payment within 30 calendar days of the end of the program year. This is not a policy change but will affect the deadline. The signup deadline for calendar year 2020 losses is January 30, 2021.

Starting in 2020, producers will have 15 days from when the loss is first apparent, instead of 30 days, to file a honeybee notice of loss. This change provides consistency between ELAP and the Noninsured Crop Disaster Assistance Program, which also has a 15-day notice of loss period for honey. For other covered losses, including livestock feed, grazing and farm-raised fish losses, the notice of loss deadline for ELAP will remain 30 days from when the loss is first apparent to the producer.

Program participants who were paid for the loss of a honeybee colony or hive in either or both of the previous two years will be required to provide additional documentation to substantiate how current year inventory was acquired.

If the honeybee colony loss incurred was because of Colony Collapse Disorder, program participants must provide a producer certification that the loss was a direct result of at least three of the five symptoms of Colony Collapse Disorder, which include:

- the loss of live queen and/or drone bee populations inside the hives;
- rapid decline of adult worker bee population outside the hives, leaving brood poorly or completely unattended;
- absence of dead adult bees inside the hive and outside the entrance of the hive;
- absence of robbing collapsed colonies; and
- at the time of collapse, varroa mite and Nosema populations are not at levels known to cause economic injury or population decline.

For honeybees, ELAP covers colony losses, honeybee hive losses (the physical structure) and honeybee feed losses in instances where the colony, hive or feed has been destroyed by a natural disaster or, in the case of colony losses, because of Colony Collapse Disorder. Colony losses must be in excess of normal mortality.

ELAP also provides emergency assistance to eligible producers of livestock and farm-raised fish including for feed and grazing losses. It covers losses because of eligible adverse weather or loss conditions, including blizzards and wildfires on federally managed lands. ELAP also covers losses resulting from the cost of transporting water to livestock due to an eligible drought.

For more information on ELAP visit <u>farmers.gov/recover</u> or contact your FSA County Office. To locate your local FSA office, visit farmers.gov/service-locator.

# **USDA** Announces Details of Risk Management Programs for Hemp Producers

The U.S. Department of Agriculture (USDA) today announced the availability of two programs that protect hemp producers' crops from natural disasters. A pilot hemp insurance program through Multi-Peril Crop Insurance (MPCI) provides coverage against loss of yield because of insurable causes of loss for hemp grown for fiber, grain or Cannabidiol (CBD) oil and the Noninsured Crop Disaster Assistance Program (NAP) coverage protects against losses associated with lower yields, destroyed crops or prevented planting where no permanent federal crop insurance program is available. **Producers may apply now, and the deadline to sign up for both programs is March 16, 2020.** 

#### **Noninsured Crop Disaster Assistance Program**

NAP provides coverage against loss for hemp grown for fiber, grain, seed or CBD for the 2020 crop year where no permanent federal crop insurance program is available.

NAP basic 50/55 coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production. Buy-up coverage is available in some cases. The 2018 Farm Bill allows for buy-up levels of NAP coverage from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price. Premiums apply for buy-up coverage.

For all coverage levels, the NAP service fee is \$325 per crop or \$825 per producer per county, not to exceed \$1,950 for a producer with farming interests in multiple counties.

#### Multi-Peril Crop Insurance Pilot Insurance Program

The MPCI pilot insurance is a new crop insurance option for hemp producers in select counties of 21 states for the 2020 crop year. The program is available for eligible producers in certain counties in Alabama, California, Colorado, Illinois, Indiana, Kansas, Kentucky, Maine, Michigan, Minnesota, Montana, New Mexico, New York, North Carolina, North Dakota, Oklahoma, Oregon, Pennsylvania, Tennessee, Virginia and Wisconsin. Information on eligible counties is accessible through the USDA Risk Management Agency's Actuarial Information Browser.

Among other requirements, to be eligible for the pilot program, a hemp producer must have at least one year of history producing the crop and have a contract for the sale of the insured hemp. In addition, the minimum acreage requirement is 5 acres for CBD and 20 acres for grain and fiber. Hemp will not qualify for replant payments or prevented plant payments under MPCI.

This pilot insurance coverage is available to hemp growers in addition to revenue protection for hemp offered under the Whole-Farm Revenue Protection plan of insurance. Also, beginning with the 2021 crop year, hemp will be insurable under the Nursery crop insurance program and the Nursery Value Select pilot crop insurance program. Under both nursery programs, hemp will be insurable if grown in containers and in accordance with federal regulations, any applicable state or tribal laws and terms of the crop insurance policy.

#### **Eligibility Requirements**

Under a regulation authorized by the 2018 Farm Bill and issued in October 2019, all growers must have a license to grow hemp and must comply with applicable state, tribal or federal regulations or operate under a state or university research pilot, as authorized by the 2014 Farm Bill.

Producers must report hemp acreage to FSA after planting to comply with federal and state law enforcement. The Farm Bill defines hemp as containing 0.3 percent or less tetrahydrocannabinol (THC) on a dry-weight basis. Hemp having THC above the federal statutory compliance level of 0.3 percent is an uninsurable or ineligible cause of loss and will result in the hemp production being

ineligible for production history purposes.

For more information on USDA risk management programs for hemp producers, visit farmers.gov/hemp to read our <u>frequently asked questions</u>. For more information on the U.S. Domestic Hemp Production Program, visit USDA's Agricultural Marketing Services' website to read their frequently asked questions.

# **Environmental Review Required Before Project Implementation**

The National Environmental Policy Act (NEPA) requires Federal agencies to consider all potential environmental impacts for federally-funded projects before the project is approved.

For all Farm Service Agency (FSA) programs, an environmental review must be completed before actions are approved, such as site preparation or ground disturbance. These programs include, **but are not limited to**, the Emergency Conservation Program (ECP), Farm Storage Facility Loan (FSFL) program and farm loans. If project implementation begins before FSA has completed an environmental review, this will result in a denial of the request. There are exceptions regarding the Stafford Act and emergencies. It is important to wait until you receive written approval of your project proposal before starting any actions, including, but not limited to, vegetation clearing, site preparation or ground disturbance.

Remember to contact your local FSA office early in your planning process to determine what level of environmental review is required for your program application so that it can be completed timely.

Applications cannot be approved contingent upon the completion of an environmental review. FSA must have copies of all permits and plans before an application can be approved.

#### **Direct Loans**

FSA offers direct farm ownership and direct farm operating Loans to producers who want to establish, maintain or strengthen their farm or ranch. FSA loan officers process, approve and service direct loans.

Direct farm operating loans can be used to purchase livestock and feed, farm equipment, fuel, farm chemicals, insurance and other costs including family living expenses. Operating loans can also be used to finance minor improvements or repairs to buildings and to refinance some farm-related debts, excluding real estate.

Direct farm ownership loans can be used to purchase farmland, enlarge an existing farm, construct and repair buildings, and to make farm improvements.

The maximum loan amount for direct farm ownership loans is \$600,000 and the maximum loan amount for direct operating loans is \$400,000 and a down payment is not required. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your local FSA office for more information or to apply for a direct farm ownership or operating loan.

### **Unauthorized Disposition of Grain**

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.

# Producers Urged to Consider NAP Risk Protection Coverage Before Crop Sales Deadlines

The USDA Farm Service Agency (FSA) reminds producers to review available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the crop deadlines.

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

The following crops have a NAP application deadline approaching:

#### March 16:

Most Annual Fruits & Vegetables, as well as Buckwheat, Hemp, Hops, Millet, Sorghum Grain, Soybeans and Sunflowers

Producers can determine if crops are eligible for federal crop insurance or NAP by visiting https://webapp.rma.usda.gov/apps/ActuarialInformationBrowser2018/CropCriteria.aspx.

The 2018 Farm Bill reinstates higher levels of coverage, from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price. Producers of organics and crops marketed directly to consumers also may exercise the "buy-up" option to obtain NAP coverage of 100 percent of the average market price at the coverage levels of between 50 and 65 percent of expected production. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

For all coverage levels, the NAP service fee is the lesser of \$325 per crop or \$825 per producer per county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties.

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at USDA's online Agent Locator: <a href="http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#">http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#</a>. Producers can use the USDA Cost Estimator, <a href="https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx">https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx</a>, to predict insurance premium costs.

For more information on NAP, service fees, sales deadlines, contact your local FSA office or visit the web at www.fsa.usda.gov/nap.

## **Loan Servicing**

There are options for Farm Service Agency 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 the options available to you.

## **Farm Service Agency Expands Payment Options**

The U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) expanded its payment options to now accept debit cards and Automated Clearing House (ACH) debit. These paperless payment options enable FSA customers to pay farm loan payments, measurement service fees, farm program debt repayments and administrative service fees, as well as to purchase aerial maps.

Previously, only cash, check, money orders and wires were accepted. By using debit cards and ACH debit, transactions are securely processed from the customer's financial institution through <a href="Pay.gov">Pay.gov</a>, the U.S. Treasury's online payment hub.

While traditional collection methods like cash and paper checks will continue, offering the new alternatives will improve effectiveness and convenience to customers while being more cost effective.

This marks the beginning of a multi-phased roll-out of new payment options for USDA customers. Ultimately, payment option flexibility will be extended to allow farmers and producers to use debit cards and ACH debit payments to make payments for all FSA programs, including farm storage facility loan repayments, farm loan facility fees, marketing assistance loan repayments, Dairy Margin Coverage (DMC) administrative fees and premiums and Noninsured Crop Disaster Assistance Program (NAP) fees.

To learn more, contact your <u>FSA county office, visit farmers.gov</u>, or download the <u>"Make Your FSA Payments Instantly"</u> fact sheet.

# **USDA Invites Input on Regional Conservation Partnership Program Rule**

USDA's Natural Resources Conservation Service (NRCS) seeks public comments on its interim rule for the Regional Conservation Partnership Program (RCPP), which helps partners develop and implement unique conservation solutions that engage farmers, ranchers and forest landowners. The rule – now available on the Federal Register – takes effect on publication and includes changes to the program prescribed by the 2018 Farm Bill.

The 2018 Farm Bill made RCPP a stand-alone program with its own dedicated funding, simplifying rules for partners and producers. Additionally, the 2018 Farm Bill reduces the number of funding pools and emphasizes partner reporting of conservation outcomes.

The updated program also expands flexibility for alternative funding arrangements with partners and availability of watershed program authorities to projects outside critical conservation areas.

#### **Submitting Comments**

NRCS invites comments on this interim rule through April 13 on the <u>Federal Register</u>. Electronic comments must be submitted through regulations.gov under Docket ID NRCS-2019-0012. All written comments received will be publicly available on regulations.gov as well.

NRCS will evaluate public comments to determine whether additional changes are needed. The agency plans on publishing a final rule following public comment review.

#### Applying for RCPP

Fligible partners include private industry, non-governmental organizations, Indian tribes, state and

local governments, water districts and universities. Leveraging of NRCS funding is a key principle of RCPP. Partners are expected to make value-added contributions to amplify the impact of RCPP funding.

NRCS will make available \$300 million for projects in fiscal 2020. The agency anticipates making the first alternative funding arrangement (AFA) funding announcement in March, with the fiscal 2020 RCPP Classic announcement following in summer 2020. For more information, visit the <a href="RCPP">RCPP</a> webpage.

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