May 2020





Farm Service Agency Electronic News Service

NEWSLETTER

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New York State FSA Newsletter

New York State Farm Service Agency

441 S. Salina St. Suite #536 Syracuse, NY 13202

www.fsa.usda.gov/ny

State Executive Director: Clark Putman

State Committee:
Judi Whittaker, Chair
Michael Bittel
Lawrence Eckhardt
Theodore Furber

Executive Officer: Mark Dennis

Barbara Hanselman

Farmers Can Now Apply for Financial Assistance through USDA's CFAP

Agricultural producers can now apply for USDA's Coronavirus Food Assistance Program (CFAP), which provides direct payments to offset impacts from the coronavirus pandemic. The application and a payment calculator are now available online, and USDA's Farm Service Agency (FSA) staff members are available via phone, fax and online tools to help producers complete applications. The agency set up a call center in order to simplify how they serve new customers across the nation.

"We know New York producers are facing a tough time now, and we are making every effort to provide much needed support as quickly as possible," said Clark Putman, state executive director for FSA in New York. "FSA is available over the phone and virtually to walk you through the application process, whether it's the first time you've worked with FSA, or if you know us quite well."

Applications will be accepted through August 28, 2020. Through CFAP, USDA is making available \$16 billion for vital 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

Farm Loan Chief: John Liddington

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

May Interest Rates:

Farm Storage Facility Loans:

3 year: 0.25% 5 year: 0.375% 7 year: 0.625% 10 year: 0.75% 12 year: 0.75%

Commodity Loans: 1.125%

Farm Loan Programs:

Farm Operating: 1.75%
Farm Ownership: 2.625%
Conservation Loans: 2.625%
Direct Down Payment: 1.5%
Joint Financing: 2.5%

demand, surplus production, and disruptions to shipping patterns and the orderly marketing of commodities.

"We also want to remind producers that the program is structured to ensure the availability of funding for all eligible producers who apply," Putman said.

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.

Producers can download the CFAP application and other eligibility forms from <u>farmers.gov/cfap</u>. Also, on that webpage, producers can find a payment calculator to help identify sales and inventory records needed to apply and calculate potential payments.

Additionally, producers in search of one-on-one support with the CFAP application process can call 877-508-8364 to speak directly with a USDA employee ready to offer assistance. This is a good first step before a producer engages the team at the FSA county office at their local USDA Service Center.

Applying for Assistance

Producers of all eligible commodities will apply through their local FSA office. Those who use the online calculator tool will be able to print off a pre-filled CFAP application, sign, and submit to your local FSA office either electronically or via hand delivery. Please contact your local office to determine the preferred method. Find contact information for your local office at farmers.gov/cfap.

Documentation to support the producer's application and certification may be requested after the application is filed. FSA has streamlined the signup process to not require an acreage report at the time of application and a USDA farm number may not be immediately needed.

Additional Commodities

USDA is also establishing a process for the public to identify additional commodities for potential inclusion in CFAP. Specifically, USDA is looking for data on agricultural commodities, that are not currently eligible for CFAP, that the public believes to have either:

- suffered a five percent-or-greater price decline between mid-January and mid-April as a result of the COVID-19 pandemic,
- 2. shipped but subsequently spoiled due to loss of marketing channel, or
- 3. not left the farm or remained unharvested as mature crops.

More information about this process is available on farmers.gov/cfap.

More Information

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

USDA Service Centers are open for business by phone appointment 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.

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 <u>fsa.usda.gov/nap</u>.

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.

March Margin Triggers Dairy Margin Coverage Program Payment

The U.S. Department of Agriculture's Farm Service Agency (FSA) announced this week that the March 2020 income over feed cost margin was \$9.15 per hundredweight (cwt.), triggering the first

payment of 2020 for dairy producers who purchased the appropriate level of coverage under the <u>Dairy Margin Coverage</u> (DMC) program.

Current projections indicate that a DMC payment is likely to trigger every month for the remainder of 2020, a different expectation from last July when some market models had forecast no program payments for 18 months.

Authorized by the 2018 Farm Bill, 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. Over 13,000 operations enrolled in the program for the 2020 calendar year.

Although DMC enrollment for 2020 coverage has closed, dairy producers should look for FSA to open sign up for 2021 coverage in July.

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.

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

Farmers.gov Feature Helps Producers Find Farm Loans that Fit Their Operation

A new online tool can help farmers and ranchers find information on U.S. Department of Agriculture (USDA) farm loans that may best fit their operations. USDA has launched the new *Farm Loan Discovery Tool* as the newest feature on farmers.gov, the Department's self-service website for farmers.

USDA's Farm Service Agency (FSA) offers a variety of loan options to help farmers finance their operations. From buying land to financing the purchase of equipment, FSA loans can help. Compared to this time last year, FSA has seen an 18 percent increase in the amount it has obligated for direct farm ownership loans, and through the 2018 Farm Bill, has <u>increased the limits</u> for several loan products.

USDA conducted field research in eight states, gathering input from farmers and FSA farm loan staff to better understand their needs and challenges.

How the Tool Works

Farmers who are looking for financing options to operate a farm or buy land can answer a few simple questions about what they are looking to fund and how much money they need to borrow. After submitting their answers, farmers will be provided information on farm loans that best fit their specific needs. The loan application and additional resources also will be provided.

Farmers can download application quick guides that outline what to expect from preparing an application to receiving a loan decision. There are four guides that cover loans to individuals, entities, and youth, as well as information on microloans. The guides include general eligibility requirements and a list of required forms and documentation for each type of loan. These guides can help farmers prepare before their first USDA service center visit with a loan officer.

Farmers can access the Farm Loan Discovery Tool by visiting farmers.gov/fund and clicking the "Start" button. Follow the prompts and answer five simple questions to receive loan information that is applicable to your agricultural operation. The tool is built to run on any modern browser like Chrome, Edge, Firefox, or the Safari browser, and is fully functional on mobile devices. It does not work in Internet Explorer.

About Farmers.gov

In 2018, USDA unveiled farmers.gov, a dynamic, mobile-friendly public website combined with an authenticated portal where farmers will be able to apply for programs, process transactions, and manage accounts.

The Farm Loan Discovery Tool is one of many resources on farmers.gov to help connect farmers to information that can help their operations. Earlier this year, USDA launched the *My Financial Information* feature, which enables farmers to view their loan information, history, payments, and alerts by logging into the website.

USDA is building farmers.gov for farmers, by farmers. In addition to the interactive farm loan features, the site also offers a Disaster Assistance Discovery Tool. Farmers can visit farmers.gov/recover/disaster-assistance-tool#step-1 to find disaster assistance programs that can help their operation recover from natural disasters.

With feedback from customers and field employees who serve those customers, farmers.gov delivers farmer-focused features through an agile, iterative process to deliver the greatest immediate value to America's agricultural producers – helping farmers and ranchers do right, and feed everyone.

For more information or to locate your USDA Service Center, visit farmers.gov.

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, Conservation Reserve 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.

Farm Storage Facility Loans

FSA's Farm Storage Facility Loan (FSFL) program provides low-interest financing to producers to build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

The low-interest funds can be used to build or upgrade permanent facilities to store commodities. Eligible commodities include corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds harvested as whole grain, pulse crops (lentils, chickpeas and dry peas), hay, hemp, honey, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple syrup and sap, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Qualified facilities include grain bins, hay barns and cold storage facilities for eligible commodities.

Loans up to \$100,000 can be secured by a promissory note/security agreement. Loans exceeding \$100,000 require additional security.

Producers do not need to demonstrate the lack of commercial credit availability to apply. The loans are designed to assist a diverse range of farming operations, including small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

To learn more about the FSA Farm Storage Facility Loan, visit www.fsa.usda.gov/pricesupport or contact your local FSA county office. To find your local FSA county office, visit http://offices.usda.gov.

CRP Continuous Enrollment Period

The Farm Service Agency is accepting offers for specific conservation practices under the Conservation Reserve Program (CRP) Continuous Signup.

CRP is a voluntary program that contracts with agricultural producers so that environmentally sensitive agricultural land is devoted to conservation benefits. CRP participants establish long-term, resource-conserving vegetative species, such as approved grasses or trees (known as "covers"), to control soil erosion, improve the water quality and enhance wildlife habitat. In return, FSA provides participants with annual rental payments and cost-share assistance. Continuous signup enrollment contracts are 10 to 15 years in duration.

Under continuous CRP signup, environmentally sensitive land devoted to certain conservation practices can be enrolled in CRP at any time. Offers are automatically accepted provided the land and producer meet certain eligibility requirements and the enrollment levels do not exceed the statutory cap.

Unlike CRP enrollments under general CRP signups or CRP Grasslands, offers for continuous enrollment are not subject to competitive bidding during specific periods.

For more information, including a list of acceptable practices, visit fsa.usda.gov/crp.

CLEAR30 the First USDA Program to Offer 30-Year Signup

The U.S. Department of Agriculture's Farm Service Agency (FSA) will open signup this summer for CLEAR30, a new pilot program that offers farmers and landowners an opportunity to enroll in a 30-year Conservation Reserve Program (CRP) contract. This pilot is available to farmers and landowners with expiring water-quality practice CRP contracts in the Great Lakes and Chesapeake Bay regions. The program signup period is July 6 to Aug. 21, 2020.

The pilot is available in Delaware, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, Ohio, Pennsylvania, Virginia, West Virginia and Wisconsin. Eligible producers must have expiring Clean Lakes, Estuaries and Rivers (CLEAR) initiative contracts, including continuous CRP Cropland contracts with water-quality practices or marginal pasturelands CRP contracts devoted to riparian buffers, wildlife habitat buffers or wetland buffers.

The longer contracts will help ensure that practices remain in place for 30 years, which will help reduce sediment and nutrient runoff and help prevent algal blooms. Traditional CRP contracts run from 10 to 15 years.

Annual rental payment for landowners who enroll in CLEAR30 will be equal to the current Continuous CRP annual payment rate plus an inflationary adjustment of 27.5 percent, since CLEAR30 contracts will be for 30 years – much longer than the 10 to 15-year contracts for Continuous CRP offers.

Another unique program feature is that FSA will help producers maintain CLEAR30 contract acreage.

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Every Season is #ScamSeason

Remember to discuss your USDA account information only with people you recognize and trust.

If you have questions about your USDA accounts, or your business transactions with USDA, contact your local FSA office.

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).