

December 2020



Farm Service Agency **Electronic News Service**

# NEWSLETTER

**GovDelivery**

Having trouble viewing this email? [View it as a Web page.](#)

- [Tomorrow - Dec. 11, is the Deadline for USDA Program for Farmers Impacted by COVID-19](#)
- [Dates to Remember](#)
- [USDA Reminds Dairy Producers of Dec. 11 Deadline for 2021 Safety-Net Enrollment](#)
- [FSA Offers Microloans](#)
- [USDA to Open Signup for the Conservation Reserve Program and CRP Grasslands in Early 2021](#)
- [Marketing Assistance Loans \(MALs\) and Loan Deficiency Payments \(LDPs\)](#)
- [Applying for Farm Storage Facility Loans](#)
- [Keeping Livestock Inventory Records](#)
- [Every Season is Scam Season](#)
- [Submit Loan Requests for Financing Early](#)
- [USDA Accepting Applications to Help Cover Costs for Organic Certification](#)

## 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](http://www.fsa.usda.gov/ny)

**State Executive Director:**  
Clark Putman

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

### Tomorrow - Dec. 11, is the Deadline for USDA Program for Farmers Impacted by COVID-19

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) reminds farmers and ranchers to apply for the Coronavirus Food Assistance Program 2 (CFAP 2) by Dec. 11, 2020. This program provides direct relief to producers facing market disruptions and associated costs because of COVID-19.

With over 300 eligible commodities, from livestock and row crops to specialty crops and aquaculture, most farmers and ranchers are potentially eligible for CFAP 2.

Producers have several options for applying for the CFAP 2 program by the Dec. 11 deadline. Producers can find eligible commodities, payment rates, calculations and options to apply on

Barbara Hanselman

[farmers.gov/cfap](https://farmers.gov/cfap).

**Executive Officer:**  
Mark Dennis

Additionally, farmers.gov offers a number of resources for producers interested in applying for CFAP 2, including:

**Farm Loan Chief:**  
John Liddington

- [Eligible Commodities Finder](#)
- Videos, including "[How to Apply for CFAP 2](#)"
- Blogs, including "[Myth Debunked: Coronavirus Food Assistance Program 2](#)"

[To find contact information for your local New York office click here.](#)

A correction to the CFAP 2 rule is pending. In case a producer is affected by this correction, FSA will provide additional time to apply or edit their application.

**December Interest Rates:**

**Farm Storage Facility**

**Loans:**

- 3 yr - 0.250%
- 5 yr - 0.375%
- 7 yr - 0.625%
- 10 yr - 0.875%
- 12 yr - 1.000%

CFAP 2 is a separate program from the first iteration of CFAP, now referred to as CFAP 1. Participating in CFAP 1 is not a prerequisite for participating in CFAP 2. Additionally, producers who applied for CFAP 1 will not be automatically enrolled in CFAP 2 and must complete a new application to be eligible for assistance.

**Commodity Loans:** 1.125%

**Farm Loan Programs:**

- Farm Operating: 1.250%
- Farm Ownership: 2.375%
- Conservation Loans: 2.375%
- Direct Down Payment: 1.5%
- Joint Financing: 2.5%

Both CFAP 1 and CFAP 2 are self-certification programs, which means the applicant certifies the information submitted is correct. As part of the internal controls portion of CFAP 1, FSA is conducting spot checks of applications, asking producers to provide supporting documentation to verify the information on them. Producers are being selected using a statistically sound methodology. These CFAP 1 applicants will be contacted by FSA staff and asked to provide supporting documentation to verify the information certified by the producer on their CFAP 1 application.

## Dates to Remember

Dec. 11	Deadline to Apply for CFAP 2
Dec. 11	Deadline to Apply for Dairy Margin Coverage
Dec. 25	All offices closed for Christmas
Dec. 31	Deadline to apply for <a href="#">Organic Certification Cost Share Program</a>
Dec. 31	NAP Coverage Deadline for honey and maple sap
Dec. 31	Acreage Reporting Deadline for Maple Taps
Jan. 1	All offices closed for New Year's Day
Jan. 4	Acreage Reporting Deadline for Honeybees
Jan. 15	Acreage Reporting Deadline for Apples, Grapes & Peaches

## USDA Reminds Dairy Producers of Dec. 11 Deadline for 2021 Safety-Net Enrollment

The U.S. Department of Agriculture reminds dairy producers that the deadline to enroll in [Dairy Margin Coverage \(DMC\)](#) for calendar year 2021 is Friday, Dec. 11, 2020. USDA's Farm Service Agency (FSA) opened DMC signup in October to help producers manage economic risk brought on by milk price and feed cost disparities.

The DMC program, created by the [2018 Farm Bill](#), offers reasonably priced protection to dairy producers when the difference between the all-milk price and the average feed cost (the margin) falls below a certain dollar amount selected by the producer.

### **Complete 2021 Enrollment/Evaluate Coverage Options**

For DMC enrollment, producers must certify with FSA that the operation is commercially marketing milk, sign all required forms, and pay the \$100 administrative fee unless the dairy operation qualifies for a limited resource, beginning, socially disadvantaged, or military veteran farmers and ranchers waiver.

Producers interested in DMC have the option to select a \$4.00 catastrophic level of coverage with no premium fee or they can choose to buy-up coverage where the premium is based on margin triggers between \$4.50 and \$9.50 on 5 to 95 percent of established production history.

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

### **2020 Margin Payments**

For producers enrolled in DMC for 2020, the fourth DMC payment of the year triggered in September at \$9.40. Including the September payment, dairy producers across the country have received 11 monthly payments for over \$472 million through DMC since the program began in January 2019.

### **More Information**

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](#).

---

## **FSA Offers Microloans**

Farmers can use USDA farm ownership microloans to buy and improve property. These microloans are especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations.

Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013.

Microloans can also help with farmland and building purchases and soil and water conservation improvements. FSA designed the expanded program to simplify the application process, expand eligibility requirements and expedite smaller real estate loans to help farmers strengthen their operations. Microloans provide up to \$50,000 to qualified producers and can be issued to the applicant directly from the USDA Farm Service Agency (FSA).

To learn more about the FSA microloan program, contact your County USDA Service Center or visit [fsa.usda.gov/microloans](#).

## 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, 2021; 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.

## Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs)

The 2018 Farm Bill extends loan authority through 2023 for Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs).

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, rice, peanuts, cotton, wool and honey. MALs provide you with interim financing after harvest to help you meet cash flow needs without having to sell your commodities when market prices are typically at harvest-time lows. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available. Marketing loan provisions and LDPs are not available for sugar and extra-long staple cotton.

FSA is now accepting requests for 2020 MALs and LDPs for all eligible commodities after harvest. Requests for loans and LDPs shall be made on or before the final availability date for the respective commodities.

Commodity certificates are available to loan holders who have outstanding nonrecourse loans for wheat, upland cotton, rice, feed grains, pulse crops (dry peas, lentils, large and small chickpeas), peanuts, wool, soybeans and designated minor oilseeds. These certificates can be purchased at the posted county price (or adjusted world price or national posted price) for the quantity of commodity under loan, and must be immediately exchanged for the collateral, satisfying the loan. MALs redeemed with commodity certificates are not subject to Adjusted Gross Income provisions.

To be considered eligible for an LDP, you must have form [CCC-633EZ, Page 1](#) on file at your local FSA Office before losing beneficial interest in the crop. Pages 2, 3 or 4 of the form must be submitted when payment is requested.

Marketing loan gains (MLGs) and loan deficiency payments (LDPs) are no longer subject to payment limitations, actively engaged in farming and cash-rent tenant rules.

Adjusted Gross Income (AGI) provisions state that if your total applicable three-year average AGI exceeds \$900,000, then you're not eligible to receive an MLG or LDP. You must have a valid CCC-941 on file to earn a market gain of LDP. The AGI does not apply to MALs redeemed with commodity certificate exchange.

For more information and additional eligibility requirements, contact your County USDA Service

Center or visit [fsa.usda.gov](https://fsa.usda.gov).

---

## Applying for Farm Storage Facility Loans

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

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, honey, hemp, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple, 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 \$50,000 can be secured by a promissory note/security agreement, loans between \$50,000 and \$100,000 may require additional security, and loans exceeding \$100,000 require additional security.

You 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.

For more information, contact your County USDA Service Center or visit [fsa.usda.gov/pricesupport](https://fsa.usda.gov/pricesupport).

---

## Keeping Livestock Inventory Records

Livestock inventory records are necessary in the event of a natural disaster, so remember to keep them updated.

When disasters strike, the USDA Farm Service Agency (FSA) can help you if you've suffered excessive livestock death losses and grazing or feed losses due to eligible natural disasters.

To participate in livestock disaster assistance programs, you'll be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to your local FSA office within 30 calendar days of when the loss of livestock is apparent. For grazing or feed losses, you must submit a notice of loss to your local FSA office within 30 calendar days of when the loss is apparent and should maintain documentation and receipts.

You should record all pertinent information regarding livestock inventory records including:

- Documentation of the number, kind, type, and weight range of livestock
- Beginning inventory supported by birth recordings or purchase receipts;

For more information on documentation requirements, contact your County USDA Service Center or visit [fsa.usda.gov](https://fsa.usda.gov).

---

## Every Season is Scam Season

Remember to discuss your USDA Farm Service Agency (FSA) account information only with people

you recognize and trust. If you do not recognize the person calling you, ask to call them back at the number you know is your local USDA Service Center.

Additionally, USDA will not call you to confirm or obtain bank account numbers or call with offers of grants that have an application fee. If something sounds too good to be true, it probably is.

For example, if someone calls and says you can receive a large payment of money from USDA, all you must do is pay x amount of dollars first, that is a scam.

If you have questions about your FSA accounts, contact your local office.

---

## Submit Loan Requests for Financing Early

The Farm Loan teams in New York are already working on operating loans for spring 2021 and asks potential borrowers to submit their requests early so they can be timely processed. The farm loan team can help determine which loan programs are best for applicants.

FSA offers a wide range of low-interest loans that can meet the financial needs of any farm operation for just about any purpose. The traditional **farm operating and farm ownership loans** can help large and small farm operations take advantage of early purchasing discounts for spring inputs as well expenses throughout the year.

**Microloans** are a simplified loan program that will provide up to \$50,000 for both Farm Ownership and Operating Microloans to eligible applicants. These loans, targeted for smaller and non-traditional operations, can be used for operating expenses, starting a new operation, purchasing equipment, and other needs associated with a farming operation. Loans to beginning farmers and members of underserved groups are a priority.

Other types of loans available include:

**Marketing Assistance Loans** allow producers to use eligible commodities as loan collateral and obtain a 9-month loan while the crop is in storage. These loans provide cash flow to the producer and allow them to market the crop when prices may be more advantageous.

**Farm Storage Facility Loans** can be used to build permanent structures used to store eligible commodities, for storage and handling trucks, or portable or permanent handling equipment. A variety of structures are eligible under this loan, including bunker silos, grain bins, hay storage structures, and refrigerated structures for vegetables and fruit. A producer may borrow up to \$500,000 per loan.

---

## USDA Accepting Applications to Help Cover Costs for Organic Certification

USDA's Farm Service Agency (FSA) announced that organic producers and handlers can apply for federal funds to assist with the cost of receiving and maintaining organic certification through the [Organic Certification Cost Share Program \(OCCSP\)](#). Applications for eligible certification expenses paid between Oct. 1, 2019, and Sept. 30, 2020, **can be filed until December 31, 2020, and no later.**

OCCSP provides cost-share assistance to producers and handlers of agricultural products for the costs of obtaining or maintaining organic certification under the USDA's National Organic Program. Eligible producers include any certified producers or handlers who have paid organic certification fees to a USDA-accredited certifying agent. Eligible expenses for cost-share reimbursement include application fees, inspection costs, fees related to equivalency agreement and arrangement

requirements, travel expenses for inspectors, user fees, sales assessments and postage.

### **Changes in Reimbursement**

Due to expected participation levels for fiscal year 2020, FSA revised the reimbursement amount through fiscal year 2023. Certified producers and handlers are now eligible to receive reimbursement for up to 50 percent of the certified organic operation's eligible expenses, up to a maximum of \$500 per scope.

This change is due to the limited amount of funding available and will allow a larger number of certified organic operations to receive assistance. If additional funding is authorized later, FSA may provide additional assistance to certified operations that have applied for OCCSP, not to exceed 75 percent of their eligible costs, up to \$750 per scope.

The changes to the payment calculation and maximum payment amount are applicable to all certified organic operations, regardless of whether they apply through an FSA county office or a participating state agency. State agencies that are interested in overseeing reimbursements to producers and handlers in their states must establish new agreements with FSA for fiscal 2020.

### **More Information**

To learn more about organic certification cost share, please visit the [OCCSP web page](#), view the [notice of funds availability on the Federal Register](#), or contact the [FSA county office](#) at your local USDA Service Center.

To learn more about USDA support for organic agriculture, visit [usda.gov/organic](https://usda.gov/organic).

---

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).