

March 2021



Farm Service Agency **Electronic News Service**

NEWSLETTER

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New York State FSA Newsletter

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Producers Urged to Consider NAP Risk Protection Coverage Before Crop Sales Deadlines - March 15

The USDA Farm Service Agency (FSA) encourages you to review available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, **before the crop deadline of March 15.**

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.

The following crops in New York have a NAP application deadline of March 15:

Artichokes, Beans, Broccoflower, Broccoli, Brussel Sprouts, Buckwheat, Cabbage, Calaloo, Canary Melon, Cantaloupe, Carrots, Cauliflower, Celery, Celery, Corn, Crenshaw Melons, Cucumbers Eggplant, Gourds, Honeydew, Hops, Jerusalem Artichokes, Kohlrabi, Korean Golden Melon, Millet, Okra, Parsnips, Peas, Peppers, Potatoes, Pumpkins, Rutabaga, Safflower, Sesame, Sorghum – FG, Soybeans, Squash, Sunflowers, Sweet Potatoes, Tomatoes, Tomatillos, Watermelon, and Yams

Chair
 Michael Bittel
 Lawrence Eckhardt
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You can determine if crops are eligible for federal crop insurance or NAP by [visiting the RMA website](#).

Farm Loan Chief:
 John Liddington

NAP offers 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.

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

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.

Beginning, underserved, veterans and limited resource farmers are now eligible for free catastrophic level coverage.

March Interest Rates:

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](#). You can use the [USDA Cost Estimator](#) to predict insurance premium costs.

Farm Storage Facility Loans:

3 yr - 0.250%
 5 yr - 0.500%
 7 yr - 0.875%
 10 yr - 1.125%
 12 yr - 1.375%

For more information on NAP, service fees, sales deadlines, contact your local USDA Service Center or visit [fsa.usda.gov](#).

Commodity Loans: 1.125%

Farm Loan Programs:

Farm Operating:
 1.375%
 Farm Ownership:
 2.75%
 Conservation
 Loans: 2.75%
 Direct Down
 Payment: 1.5%
 Joint Financing:
 2.5%

Dates to Remember

Feb. 12 Ongoing	CRP-General & SAFE Sign-Up Deadline
Mar. 5 April 9	Quality Loss Adjustment Program Deadline
Mar. 15	ARC/PLC Annual Enrollment Deadline
Mar. 15	Deadline for Noninsured Crop Assistance Disaster Program (NAP) - for most spring planted fruits and vegetables

Mar. 24	Understanding Eligibility Requirements for NRCS & FSA Programs Webinar (noon-1:30) - Understanding and navigating the eligibility requirements and paperwork involved with applying for FSA and NRCS programs and loans
Mar. 31	Marketing Assistance Loans and Loan Deficiency Payments Deadline for prior year harvested wheat, barley and oats

MONDAY - March 15 is Deadline to Make Elections and Complete Enrollment in 2021 ARC and PLC Programs

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.

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.

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:

- [Gardner-farmdoc Payment Calculator](#), 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.

Crop Insurance Considerations

Producers are reminded that enrolling in ARC or PLC programs can impact eligibility for some crop insurance products offered by USDA's Risk Management Agency (RMA). Producers who elect and enroll in PLC also have the option of

purchasing Supplemental Coverage Option (SCO) through their Approved Insurance Provider, but producers of covered commodities who elect ARC are ineligible for SCO on their planted acres.

Unlike SCO, RMA's Enhanced Coverage Option (ECO) is unaffected by participating in ARC for the same crop, on the same acres. You may elect ECO regardless of your farm program election.

More Information

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.

USDA Extends Application Deadline for the Quality Loss Adjustment Program to April 9

The U.S. Department of Agriculture (USDA) is extending the deadline from March 5 to April 9 for agricultural producers to apply for the Quality Loss Adjustment (QLA) Program because of recent winter storms and some clarifications to program rules. This program assists producers who suffered crop quality losses due to qualifying 2018 and 2019 natural disasters.

The QLA program assists producers whose eligible crops suffered quality losses due to qualifying drought, excessive moisture, flooding, hurricanes, snowstorms, tornadoes, typhoons, volcanic activity, or wildfires.

Eligible crops include those for which federal crop insurance or Noninsured Crop Disaster Assistance Program (NAP) coverage is available, except for grazed crops and value loss crops, such as honey, maple sap, aquaculture, floriculture, mushrooms, ginseng root, ornamental nursery, Christmas trees, and turfgrass sod. Additionally, crops that were sold or fed to livestock or that are in storage may be eligible.

Assistance is available in counties that received a Presidential Emergency Disaster Declaration or Secretarial Disaster Designation, or for drought, a county rated by the U.S. Drought monitor as having a D3 (extreme drought) or higher. Producers in counties that did not receive a qualifying declaration or designation may still apply but must also provide supporting documentation.

FSA will issue payments once the application period ends. If the total amount of calculated QLA payments exceeds available program funding, payments will be prorated.

More Information

FSA began accepting applications on January 6 and has received more than 8,100 applications so far.

To apply, contact your local [USDA Service Center](#). Additional information is also available at farmers.gov/quality-loss. Producers can also obtain one-on-one support with applications by calling 877-508-8364.

While USDA offices are currently closed to visitors because of the pandemic, Service Center staff continue to work with agricultural producers via phone, email, and other digital tools. To conduct business, please contact your local [USDA Service Center](#). Additionally, more information related to USDA's response and relief for producers can be found at farmers.gov/coronavirus.

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

Farmers and ranchers can use the *Farm Loan Discovery Tool* on farmers.gov to find information on USDA farm loans that may best fit their operations.

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.

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 receive 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.

For more information, contact your local USDA Service Center or visit farmers.gov.

USDA Announces Increase to Certain Incentive Payments for Continuous Conservation Reserve Program

The U.S. Department of Agriculture is increasing incentive payments for practices installed on land enrolled in the Continuous Conservation Reserve Program (CRP). USDA's Farm Service Agency (FSA) is upping the Practice Incentive Payment for installing practices, from 5 percent to 20 percent. Additionally, producers will receive a 10 percent incentive payment for water quality practices on land enrolled in CRP's continuous signup. FSA administers CRP on behalf of the Commodity Credit Corporation.

Under continuous CRP, producers can enroll environmentally sensitive land devoted to certain conservation practices with signup available at any time. FSA automatically accepts offers provided the land and producer meet certain eligibility requirements and the enrollment levels do not exceed the number of acres FSA is allowed to enroll in CRP, which was set by the 2018 Farm Bill.

Signed into law in 1985, CRP is one of the largest private-lands conservation programs in the United States. It was originally intended primarily to control soil erosion and potentially stabilize commodity prices by taking marginal lands out of production. The program has evolved over the years, providing many conservation and economic benefits. The program marks its 35-year anniversary this month. Program successes include:

- Preventing more than 9 billion tons of soil from eroding, which is enough soil to fill 600 million dump trucks;
- Reducing nitrogen and phosphorous runoff relative to annually tilled cropland by 95% and 85%, respectively;
- Sequestering an annual average of 49 million tons of greenhouse gases, equal to taking 9 million cars off the road;
- Creating more than 3 million acres of restored wetlands while protecting more than 175,000 stream miles with riparian forest and grass buffers, which is enough to go around the world seven times; and
- Benefiting bees and other pollinators and increasing populations of ducks, pheasants, turkey, bobwhite quail, prairie chickens, grasshopper sparrows and many other birds.

The successes of CRP contribute to USDA's [Agriculture Innovation Agenda](#) and its goal of reducing the environmental footprint of U.S. agriculture by half by 2050. Earlier this year, U.S. Secretary of Agriculture Sonny Perdue announced the Department-wide initiative to align resources, programs, and research to position American agriculture to better meet future global demands.

For more information on CRP, visit fsa.usda.gov, or contact your [local FSA county office](#).

USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning Farmers

The USDA Farm Service Agency (FSA) reminds producers that FSA offers targeted farm ownership and farm operating loans to assist underserved applicants and beginning farmers and ranchers.

USDA defines underserved applicants as a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. For farm loan program purposes, targeted underserved groups are women, African Americans, American Indians and Alaskan Natives, Hispanics and Asians and Pacific Islanders.

Underserved or beginning farmers and ranchers who cannot obtain commercial credit from a bank can apply for either FSA direct loans or guaranteed loans. Direct loans are made to applicants by FSA. Guaranteed loans are made by lending institutions who arrange for FSA to guarantee the loan. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. The FSA guarantee allows lenders to make agricultural credit available to producers who do not meet the lender's normal underwriting criteria.

The direct and guaranteed loan program provides for two types of loans: farm ownership loans and farm operating loans. In addition to customary farm operating and ownership loans, FSA offers Microloans through the direct loan program. Microloans focus on the financing needs of small, beginning farmer, niche, and non-traditional farm operations. Microloans are available for both ownership and operating finance needs. To learn more about microloans, visit fsa.usda.gov/microloans.

To qualify as a beginning producer, the individual or entity must meet the eligibility requirements outlined for direct or guaranteed loans. Individuals and all entity members must have operated a farm for less than 10 years. Applicants must materially or substantially participate in the operation.

For more information on FSA's farm loan programs and targeted underserved and beginning farmer guidelines, contact your local USDA Service Center or visit fsa.usda.gov/farmloans.

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, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple sap and syrup, 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 local USDA Service Center or visit fsa.usda.gov/pricesupport.

Let USDA Help You Prepare for Tax Season

If you participate in USDA programs, including our farm loan program, it's time to start preparing for tax season. USDA technical assistance is free, but it is important to not overlook USDA payments when calculating your taxes. USDA issues documentation for your taxes, including 1098 forms for USDA farm loans and 1099 forms for farmer payments. Whether you are filing your taxes on your own or working with a professional accountant or tax preparer, you have 24/7 access to your loan information through a new feature on [Farmers.gov](https://farmers.gov).

The "My Financial Information" portal makes it easier for customers to track loan transactions and payments and saves trips to the USDA service center to obtain loan-related information. It enables you to view:

- Loans and financial information.
- Interest payments (including year-to-date interest paid for the past five years).
- Loan history.
- Paid-in-full and restructured loans, and alerts. For example, an account alert will be displayed if a loan is past due.

To access your loan information, visit farmers.gov and sign into the site's authenticated portal, available on the menu at the top right of the site. To use the portal, you will need a Level 2 USDA eAuthentication account. If you do not have a Level 2 USDA eAuthentication account, [you can sign up for one here](#).

Loan information retrieved from the "My Financial Information" portal should be compared to your records and reviewed with your tax preparer if you are working with one. Contact your [local USDA Service Center](#) if you have questions about the information on My Financial Information.

Currently, only producers doing business as an individual can view information. Entities, such as an LLC or Trust, or producers doing business on behalf of another customer cannot access the portal at this time, but access is being planned. Google Chrome, Mozilla Firefox and Microsoft Edge are the recommended browsers to access the feature.

As you are preparing your taxes, here is a checklist of things to do or consider:

- Gather all 1098, 1099 and other tax forms issued by USDA.
- If you have a Farm Loan, visit the self-service website at the top right corner of farmers.gov to view your loan information, history, and payments.
- Crop insurance proceeds must be included in your farm income.
- Farmers can deduct certain conservation-related expenses. According to the IRS, you may deduct up to 25

percent of your gross farm income for conservation expenses.

Keeping good expense records will help you and your tax preparer determine the tax deductions you may claim. Here are some helpful websites to help you compile the record

- <https://www.irs.gov/publications/p225> (Publication 225 (2019), Farmer's Tax Guide)
- <https://newfarmers.usda.gov/taxes> (New farmer resources from USDA)
- <https://ffsc.org> (Record keeping assistance)

The “My Financial Information” portal on Farmers.gov is just one of many features designed to help you manage your loans. The USDA team building farmers.gov prioritized this feature based on feedback from USDA field-level staff and customers. Being able to access loan information and payment history online will help you with this year’s taxes, and future features will continue to expand your self-service opportunities.

FSA Outlines MAL and LDP Policy

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, 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, rice, feed grains, pulse crops (dry peas, lentils, large and small chickpeas), 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 local USDA Service Center at or visit fsa.usda.gov.

Value-Added Producer Grant Program

The United States Department of Agriculture (USDA) announced that it is making an additional \$35 million available this year in the [Value-Added Producer Grant Program](#) to support agricultural producers affected by the COVID-19 pandemic. This funding is made possible through the Consolidated Appropriations Act of 2021. In total, \$76 million is available.

The Department is extending the application deadline to May 4, 2021. USDA originally opened the application window on Dec. 21, 2020, with an application due date of March 22, 2021.

Applicants are encouraged to start the application process now. Before you apply:

- request a Data Universal Number System (DUNS) number if your organization does not already have one;
- and register your organization with the System for Award Management (SAM) if you are not already registered.

Application toolkits are available on the Value-Added Producer Grant program webpage. Applicants must follow requirements in both the original notice and the amended notice. For additional information on the amended notice, see page 12905 of the March 5, 2021, Federal Register.

Value-Added Producer Grants may be used to develop new products from raw agricultural products or to promote new markets for established products. Veterans, socially disadvantaged groups, beginning farmers and ranchers, operators of small- and medium-sized family farms and ranches, and farmer and rancher cooperatives are given special priority.

For questions on the [Value-Added Producer Grant Program](#) in New York contact [Gary Pereira](#) at (315) 530-3433.

HealthCare.gov Insurance Enrollment Available through May 15

HealthCare.gov has opened a Special Enrollment Period from now through May 15 for people seeking health insurance. You may be eligible for financial assistance or have access to plans of \$50 or less. [Learn more at HealthCare.gov.](#)

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).