June 2020

USDA United States Department of Agriculture

Farm Service Agency Electronic News Service

NEWSLETTER

GovDelivery

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Oregon FSA Newsletter

Oregon Farm Service Agency

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Josh Hanning
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State Committee:
Anna Sullivan, Chair
Sam Asai, Member
Phil Hassinger, Member

State Executive Director Message

I want to take this opportunity to let our farmers and ranchers know that Friday, June 19, will be my last day with FSA. I have accepted the position of State Director, Bureau of Land Management for Oregon and Washington. I have truly enjoyed the opportunity to serve Oregon's producers as State Executive Director (SED). I have been fortunate to work with such an accomplished and dedicated staff at the state and county level across Oregon. They truly care about "their" farmers and ranchers. My decision to move was not an easy one, and while I will miss FSA, I am also looking forward to the new opportunity.

Farming and ranching are tough, and these are challenging times. It's hard enough to deal with unseasonable weather and fragile markets, let alone the disruptions of COVID-19. The programs provided by FSA provide much needed support and assistance wherever they can. Your FSA staff have been working under the challenges of COVID-19 and with limited access to offices, and yet

TJ Hansell, Member
Denver Pugh, Member

Administration:
Martin Nguyen,
Administrative Officer

Farm Programs:
Kent Willett, Acting Chief

Farm Loan Programs:
Kathey Brucker, Chief

Next STC Meeting:
June 25, 2020

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through telework and other innovative ways have continued to provide you with the help you need. We are working hard to get our offices back to full staff and access to producers as quickly as we can, but it is a slow process. Bear with us as we navigate the challenges. Our primary goal is customer service. The safety of our employees and our customers is crucial to that goal.

We continue to take applications for the Coronavirus Food Assistance Program (CFAP) and payments are being made for many commodities. A reminder that the deadline for sign up is August 28, 2020. Gov Delivery continues to provide information and updates on the program.

There are other deadlines fast approaching and they are outlined in this issue of Gov Delivery.

FSA has great staff. I leave knowing that you are all in very good hands. I am pleased that Josh Hanning, currently District 2 Director will be acting SED and he will do an excellent job.

I hope you all have successful harvests with good process and that the scourge that is COVID-19 finds its way out of our lives.

"You can't threaten or force a seed to grow. You can only provide it with what it needs to be successful. Nourish it, protect it and encourage it to grow. It takes commitment, knowledge, and unwavering optimism to see it through to harvest. It is not for the weak of heart."

Barry Bushue

Interest Rates

Farm Operating Loans - Direct: 1.375%
Farm Operating - Microloan: 1.375%
Farm Ownership Loans-Direct: 2.250%
Farm Ownership - Microloan: 2.250%
Farm Ownership - Direct, Joint Financing: 2.500%
Farm Ownership-Down Payment: 1.500%
Emergency Loans Actual Loss: 2.375%
Farm Storage Facility Loan 3 Year: 0.250%
Farm Storage Facility Loan 5 Year: 0.375%
Farm Storage Facility Loan 7 Year: 0.500%
Farm Storage Facility Loan 10 Year: 0.625%
Farm Storage Facility Loan 12 Year: 0.750%

Consideration of Additional Commodities for Coronavirus Food Assistance Program

Agricultural producers can now apply for USDA's Coronavirus Food Assistance Program (CFAP), which provides direct payments to offset impacts from the coronavirus pandemic. CFAP provides 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 demand, surplus production, and disruptions to shipping patterns and the orderly marketing of commodities. The deadline for sign up is August 28, 2020.

Eligible commodities include:

- **Non-specialty Crops**: malting barley, canola, corn, upland cotton, millet, oats, soybeans, sorghum, sunflowers, durum wheat, and hard red spring wheat
- **Wool**
- **Livestock**: cattle, hogs, and sheep (lambs and yearlings only)
- **Dairy**
- **Specialty Crops**
    - **Fruits**: apples, avocados, blueberries, cantaloupe, grapefruit, kiwifruit, lemons, oranges, papaya, peaches, pears, raspberries, strawberries, tangerines, tomatoes, watermelons
    - **Vegetables**: artichokes, asparagus, broccoli, cabbage, carrots, cauliflower, celery, sweet corn, cucumbers, eggplant, garlic, iceberg lettuce, romaine lettuce, dry onions, green onions, peppers, potatoes, rhubarb, spinach, squash, sweet potatoes, taro
    - **Nuts**: almonds, pecans, walnuts
    - **Other**: beans, mushrooms

USDA has established 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:

1. 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.

USDA is particularly interested in the obtaining information with respect to the following specific categories of agricultural commodities:

- Nursery Products
- Aquaculture Products
- Cut Flowers

Comments may be submitted through either of the following methods by June 22, 2020:

- **Federal Rulemaking Portal** – Go to regulations.gov and search for Docket ID FSA-2020-0004. Follow the instructions for submitting comments.
- **Mail** – Director, SND, FSA, US Department of Agriculture, 1400 Independence Avenue SW, Stop 0522, Washington, DC 20250-0522.

Learn more by watching our video on the Notice of Funding Availability or by visiting farmers.gov/cfap

USDA Reports Record Enrollment in Key Farm Safety-Net Programs

Producers signed a record 1.77 million contracts for the U.S. Department of Agriculture's Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2019 crop year, which is more than 107 percent of the total contracts signed compared with a 5-year average. USDA also reminds producers that June 30 is the deadline to enroll in ARC and PLC for the 2020 crop year.

Producers interested in enrolling for 2020 should contact their FSA county office. **Producers must enroll by June 30 and make their one-time update to PLC payment yields by September 30.**

FSA attributes the significant participation in the 2019 crop year ARC and PLC programs to increased producer interest in the programs under the 2018 Farm Bill and to an increase in eligible farms because of the selling and buying of farms and new opportunities for beginning farmers and military veterans with farms having 10 or fewer base acres. Enrollment for 2019 ended March 16.

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 on ARC and PLC, download the program fact sheet or the 2014-2018 farm bills comparison fact sheet. Online ARC and PLC election decision tools are available at www.fsa.usda.gov/arc-plc. To locate the nearest USDA Service Center, visit farmers.gov/service-center-locator.

Important Dates

- **Applications accepted for WHIP+** for milk loss, and loss of on-farm stored commodities resulting from eligible disaster (into 2020).
- **June 15:** Nomination Open for 2020 FSA County Committee Elections
- **June 26: FY 2020 Community Compost and Food Waste Reduction (CCFWR)** pilot project grant applications due.
- **June 30**: **ARC-PLC Program Year 2020 signup ends**.
- **July 3:** Independence Day Federal Holiday (July 4), Offices Closed
- **Extended to COB July 10: State Acres for Wildlife Enhancement (SAFE) Initiative** deadline to submit proposals.
- **July 15**: Acreage Reporting Deadline: Perennial Forage for 2019 and subsequent years (August 14 to report without late-filing fees).
- **July 15:** Spring Alfalfa Seed, Cabbage (Planted 4/21 – 6/10), Onions (Planted 2/15 – 5/15), Perennial Forage, All other crops not listed.
- **August 15:** Cabbage (Planted 6/11-8/10).
- **August 28:** CFAP Sign-up Deadline.

Farmers, Ranchers and Private Forest Landowners Use Conservation to Protect Pollinator Habitat, Boost Crop Production

The next time you snack on almonds, add blueberries to your smoothie or eat pumpkin pie, thank a pollinator and thank farmers, ranchers and private forestland owners who work hard to create and maintain their habitat.

Pollinators, such as honeybees, bumblebees, butterflies, birds, bats, flies and many others, play a critical role in crop production. Without pollinators, we wouldn't have many crops.

During the week of June 22-28, the nation will celebrate these iconic and crucial pollinators during National Pollinator Week. This year's theme is "Pollinators, Plants, People and Planet."

Thirteen years ago, the U.S. Senate unanimously designated the third week in June as National Pollinator Week to increase awareness about the importance of pollinators and the challenges many of them face, including serious population declines and habitat losses, often due to land use changes and excessive or improper pesticide use. Nearly 200 species of pollinators are considered threatened or extinct.

Pollination occurs when pollen grains are moved between two flowers of the same species, or within a single flower by wind or insects and animals. Successful pollination results in healthy fruit and fertile seeds, allowing the plants to reproduce.

The extensive and critical world of crop pollinators is a $20 billion a year industry. About 75 percent of crop plants are pollinated by billions of animals and insects every year

Many federal, state and local government agencies, non-government organizations and universities have launched extensive efforts to protect pollinators, especially honeybees and the Monarch butterfly. The U.S. Department of Agriculture (USDA) works closely with farmers, forest landowners and other private landowners to increase pollinator habitat in targeted areas nationwide.

The Environmental Quality Incentives Program (EQIP), through USDA's Natural Resources Conservation Service (NRCS), offers financial incentives to agricultural producers and private forest landowners who enhance pollinator habitat by voluntarily implementing conservation practices such as cover crops, wildflower and native plantings in buffers and areas not in production.

Conservation Reserve Program (CRP) also can be used to enhance habitat to protect pollinators. Administered by USDA's Farm Service Agency (FSA), CRP is a land conservation program in which enrolled landowners remove environmentally sensitive land from agricultural production and plant species that will improve environmental health and quality.

As owners and stewards of the land, many farmers, ranchers and private forest landowners manage their natural resources to work to achieve their production goals, they are protecting the rich and diverse ecology on or near their operations.

When we protect pollinators, we protect our ability to grow food. We thank our farmers, ranchers and private forest landowners for who offer a safe haven for pollinators and grow the products we enjoy.

Whether you are a large commodity producer, a small and diverse organic producer or even a suburban homeowner, you can have an important role in saving pollinators in Oregon.

Do your part to help protect pollinators. By taking action to diversify and beautify your operation or property, you could ensure that many fruits and vegetables are available and plentiful for future generations for many years to come.

For more information about pollinators and what you can do in Oregon, please contact your local USDA service center.

Filing CCC-941 Adjusted Gross Income (AGI) Certifications

Many producers have experienced delays in receiving Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments, Loan Deficiency Payments (LDPs) and Market Gains on Marketing Assistance Loans (MALs) because they have not filed form CCC-941, *Adjusted Gross Income Certification*. No program payment can be issued to an eligible producer, including landowners who share in the crop, without a valid CCC-941 on file in the county office.

Producers without a valid CCC-941 on file for the applicable crop year will not receive payments. All farm operator/tenants/owners who have not filed a CCC-941 and have pending payments should

IMMEDIATELY file the form with their recording county FSA office. Farm operators and tenants are encouraged to ensure that their landowners have filed the form.

FSA can accept the CCC-941 for 2017, 2018, and 2019. Unlike the past, producers must have the CCC-941 certifying their AGI compliance before any payments can be issued.

FSA Reminds Producers of Ongoing Disaster Assistance Program Signup

The U.S. Department of Agriculture (USDA) has started making payments through the Wildfire and Hurricane Indemnity Program – Plus (WHIP+) to agricultural producers who suffered eligible losses because of drought or excess moisture in 2018 and 2019. Signup for these causes of loss opened March 23, and producers who suffered losses from drought (in counties designated D3 or above), excess moisture, hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms or wildfires can still apply for assistance through WHIP+.

To be eligible for WHIP+, producers must have suffered losses of certain crops, trees, bushes or vines in counties with a Presidential Emergency Disaster Declaration or a Secretarial Disaster Designation (primary counties only) for qualifying natural disaster events that occurred in calendar years 2018 or 2019. Also, losses located in a county not designated by the Secretary as a primary county may be eligible if a producer provides documentation showing that the loss was due to a qualifying natural disaster event.

For losses due to drought, a producer is eligible if any area of the county in which the loss occurred was rated D3, or extreme drought, or higher on the U.S. Drought Monitor during calendar years 2018 or 2019. Producers who suffered losses should contact their FSA county office.

In addition to the recently added eligible losses of drought and excess moisture, FSA will implement a WHIP+ provision for crop quality loss that resulted in price deductions or penalties when marketing crops damaged by eligible disaster events. To ensure an effective program for all impacted farmers, the Agency is currently gathering information on the extent of quality loss from producers and stakeholder organizations.

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 on Service Centers can be found at farmers.gov/coronavirus, and more information on WHIP+ can be found at farmers.gov/whip-plus.

USDA Fruit, Vegetable and Wild Rice Planting Rules Unchanged from Previous Farm Bill

Farm Service Agency (FSA) has announced fruit, vegetable and wild rice provisions that affect producers who intend to participate in certain programs authorized by the Agricultural Act of 2014 as amended by the Agricultural Improvement Act of 2018.

Producers who intend to participate in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs are subject to an acre-for-acre payment reduction when fruits and nuts, vegetables or wild rice are planted on the payment acres of a farm. Payment reductions do not apply to mung beans, dry peas, lentils or chickpeas. Planting fruits, vegetables or wild rice on acres that are not considered payment acres will not result in a payment reduction. Farms that are eligible to participate in ARC/PLC but are not enrolled for a particular year may plant unlimited fruits, vegetables and wild rice for that year but will not receive ARC/PLC payments for that year. Eligibility for succeeding years is not affected.

Planting and harvesting fruits, vegetables and wild rice on ARC/PLC acreage is subject to the acre-for-acre payment reduction when those crops are planted on more than 15 percent of the base acres of a farm enrolled in ARC using the county coverage or PLC, or more than 35 percent of the base acres of a farm enrolled in ARC using the individual coverage.

Fruits, vegetables and wild rice that are planted in a double-cropping practice will not cause a payment reduction if the farm is in a double-cropping region as designated by the USDA's Commodity Credit Corporation.

Farm Reconstitutions

When changes in farm ownership or operation take place, a farm *reconstitution* is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

To be effective for the current Fiscal Year (FY), farm combinations and farm divisions must be requested by **August 1 of the FY** for farms subject to the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. A reconstitution is considered to be requested when all:

- of the required signatures are on FSA-155
- other applicable documentation, such as proof of ownership, is submitted.

Total Conservation Reserve Program (CRP) and non-ARC/PLC farms may be reconstituted at any time.

The following are the different methods used when doing a farm recon:

Estate Method — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

DCP Cropland Method — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

Default Method — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

Producers are Encouraged to Report Prevented Planting and Failed Acres

USDA Farm Service Agency (FSA) reminds producers to report prevented planting and failed acres in order to establish or retain FSA program eligibility for some programs.

Producers should report crop acreage they intended to plant, but due to natural disaster, were prevented from planting. Prevented planting acreage must be reported on form *CCC-576, Notice of Loss*, no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA).

Contact your local FSA office for a list of final planting dates by crop.

If a producer is unable to report the prevented planting acreage within the 15 calendar days following the final planting date, a late-filed report can be submitted. Late-filed reports will only be accepted if FSA conducts a farm visit to assess the eligible disaster condition that prevented the crop from being planted. A measurement service fee will be charged.

Additionally, producers with failed acres should also use form *CCC-576, Notice of Loss*, to report failed acres.

Producers of hand-harvested crops and certain perishables must notify FSA of damage or loss through the administrative County Office within 72 hours of the date of damage or loss first becomes apparent. This notification can be provided by filing a CCC-576, email, fax or phone. Producers who notify the County Office by any method other than by filing the CCC-576 are still required to file a CCC-576, *Notice of Loss*, within the required 15 calendar days.

For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP), producers must file a *Notice of Loss* within 15 days of the occurrence of the disaster or when losses become apparent. Producers must timely file a *Notice of Loss* for failed acres on all crops including grasses.

Supervised Credit

Farm Service Agency (FSA) Farm Loan programs are considered supervised credit. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Therefore, it is our goal 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. Through this process, FSA staff will advise borrowers in developing strategies and a plan to meet your operation's goals and graduate to commercial credit. Ultimately, the borrower is responsible for the success of the farming operation, but FSA's staff will help in an advisory role to provide the tools necessary to help you achieve your operational goals and manage your finances.

For more information on FSA farm loan programs, visit fsa.usda.gov.

Communication is Key in Lending

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be a success. A part of ensuring this success is providing guidance and counsel from the loan application process through the borrower's graduation to commercial lending institutions. While it is FSA's commitment to advise borrowers as they identify goals and evaluate progress, it is crucial for borrowers to communicate with their farm loan staff when changes occur. It is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation;
- Any significant changes to family income or expenses;
- The development of problem situations;

- Any losses or proposed significant changes in security

In addition, if a farm loan borrower cannot make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options.

For more information on FSA farm loan programs, visit fsa.usda.gov.
