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Farm Service Agency Electronic News Service

NEWSLETTER

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West Virginia FSA Newsletter

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To find contact information for your local office go to www.fsa.usda.gov/wv

USDA Issues First Coronavirus Food Assistance Program Payments

U.S. Secretary of Agriculture Sonny Perdue today announced the USDA Farm Service Agency (FSA) has already approved more than \$545 million in payments to producers who have applied for the Coronavirus Food Assistance Program. FSA began taking applications May 26, and the agency has received over 86,000 applications for this important relief program.

In the first six days of the application period, FSA has already made payments to more than 35,000 producers. Out of the gate, the top five states for CFAP payments are Illinois, Kansas, Wisconsin, Nebraska, and South Dakota. USDA has released data on application progress and program payments and will release further updates each Monday at 2:00pm ET. The report can be viewed at farmers.gov/cfap.

FSA will accept applications through August 28, 2020. Through CFAP, USDA is making available \$16 billion in financial assistance

to producers of agricultural commodities who have suffered a fivepercent-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.

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.

Getting Help from FSA

New customers seeking one-on-one support with the CFAP application process can call 877-508-8364 to speak directly with a USDA employee ready to offer general assistance. This is a recommended first step before a producer engages the team at the FSA county office at their local USDA Service Center.

Producers can download the CFAP application and other eligibility forms from farmers.gov/cfap. Also, on that webpage, producers can find a payment calculator to help producers identify sales and inventory records needed to apply and calculate potential payments. Producers self-certify their records when applying for CFAP and that documentation is not submitted with the application. However, producers may be asked for their documentation to support the certification of eligible commodities, so producers should retain the information used to complete their application.

Those who use the online calculator tool will be able to print a prefilled CFAP application, sign it, and submit it to your local FSA office either electronically or via hand delivery through an office drop box. Please contact your local office to determine the preferred delivery method for your local office. Team members at FSA county offices will be able to answer detailed questions and help producers apply quickly and efficiently through phone and online tools. Find contact information for your local office at farmers.gov/cfap.

Policy Clarifications

FSA has been working with stakeholder groups to provide further clarification to producers on the CFAP program. For example, the agency has published a matrix of common marketing contracts that impact eligibility for non-specialty crops and has provided a table that crosswalks common livestock terms to CFAP cattle categories. Updated information can be found in the frequently asked questions section of the CFAP website.

More Information

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

USDA Microloans Help Farmers Purchase Farmland and Improve Property

Producers, Including Beginning and Underserved Farmers, Have a New Option to Gain Access to Land

The U.S. Department of Agriculture (USDA) is offering farm ownership microloans, creating a new financing avenue for farmers 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.

The microloan program has been hugely successful, providing more than 16,800 low-interest loans, totaling over \$373 million to producers across the country. Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013. Seventy percent of loans have gone to new farmers.

Now, microloans will be available to also help with farm land 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 visit www.fsa.usda.gov/microloans, or contact your local FSA office.

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, honey, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple 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 \$50,000 can be secured by a promissory note/security agreement and loans between \$50,000 and \$100,000 may require additional security. 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 <u>fsa.usda.gov/pricesupport</u> or contact your local FSA county office. To find your local FSA office, visit <u>offices.usda.gov</u>.

USDA Announces Loan Maturity for Marketing Assistance Loans Now Extended to 12 Months

Agricultural producers now have more time to repay Marketing Assistance Loans (MAL) as part of the U.S. Department of Agriculture's implementation of the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020. The loans now mature at 12 months rather than nine, and this flexibility is available for most commodities.

Effective immediately, producers of eligible commodities now have up to 12 months to repay their commodity loans. The maturity extension applies to nonrecourse loans for crop years 2018, 2019 and 2020. Eligible open loans must in good standing with a maturity date of March 31, 2020, or later or new crop year (2019 or 2020) loans requested by September 30, 2020. All new loans requested by September 30, 2020, will have a maturity date 12 months following the date of approval.

The maturity extension for current, active loans will be automatically extended an additional 3 months. Loans that matured March 31 have already been automatically extended by USDA's Farm Service Agency (FSA). Producers who prefer a nine-month loan will need to contact their local FSA county office. Loans requested after September 30, 2020, will have a term of nine months.

Eligible commodities include barley, chickpeas (small and large), corn, cotton (upland and extralong staple), dry peas, grain sorghum, honey, lentils, mohair, oats, peanuts, rice (long and medium grain), soybeans, unshorn pelts, wheat, wool (graded and nongraded); and other oilseeds, including canola, crambe, flaxseed, mustard seed, rapeseed, safflower, sunflower seed, and sesame seed. Seed cotton and sugar are not eligible.

About MALs

Placing commodities under loan provides producers interim financing to meet cash flow needs without having to sell their commodities when market prices are low and allows producers to store production for more orderly marketing of commodities throughout the year.

These loans are considered nonrecourse because the commodity is pledged as loan collateral, and producers have the option of delivering the pledged collateral to the Commodity Credit Corporation (CCC) for repayment of the outstanding loan at maturity.

MAL Repayment

Under the new maturity provisions, producers can still repay the loan as they would have before the extension:

- repay the MAL on or before the maturity date;
- upon maturity by delivering or forfeiting the commodity to CCC as loan repayment; or
- after maturity and before CCC acquires the farm-stored commodity by repaying the outstanding MAL principle and interest.

Marketing Loan Gains

A Marketing Loan Gain occurs when a MAL is repaid at less than the loan principal. If market gain is applicable during the now-extended loan period, producers can receive a gain on the repayment made before the loan matures.

For more information on MALs, contact the nearest FSA county office. USDA Service Centers, including FSA county offices, 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.

USDA Announces Flexibilities for Producers Filing 'Notice of Loss' for Failed, Prevented Planted Acres

The U.S. Department of Agriculture (USDA) is providing additional flexibilities for producers to file on acres with failed crops or crops that were prevented from planting because of extreme weather events. USDA's Farm Service Agency (FSA) is adding these flexibilities for *Notice of Loss* on both insured and uninsured crops to enable Service Centers to best assist producers.

Filing for Prevented Planted Acres

For insured crops, producers who timely filed a prevented planted claim with the reinsurance company but filed a *Notice of Loss* (CCC-576) form after the deadline will be considered timely filed for FSA purposes. FSA can use data from the Risk Management Agency (RMA) for accepting the report of prevented planting with FSA. If the information is not available through RMA, the producer may also provide proper evidence to FSA that the prevented planted claim was timely filed with the reinsurance company.

For uninsured crops, producers may start a *Notice of Loss* (CCC-576) by calling their FSA county office, or they may print and complete the *Notice of Loss* (CCC-576) form from home and send to their county office. For prevented planted acreage, *Notice of Loss* forms mailed to the FSA office must be postmarked by the final acreage reporting date in the county to be considered timely filed. For all prevented planted cases, the *Report of Acreage* (FSA-578) form and the completed and signed *Notice of Loss* (CCC-576) **must** be filed by the applicable acreage reporting date.

Filing for Failed Acres

For failed acreage of uninsured crops, the *Notice of Loss* (CCC-576) must be completed, signed and verified before the disposition of the crop.

When to File a 'Notice of Loss'

A *Notice of Loss* cannot be filed for a crop before the final planting date, but it can be filed before completing the crop acreage report.

More Information

Producers who miss FSA's <u>July 15 acreage reporting deadline</u> will not face a late filing fee if filed within a month of the deadline.

For questions, please contact your FSA county office. To locate your FSA county office at your Service Center, visit farmers.gov/service-center-locator.

USDA Reminds West Virginia Producers to Complete Crop Acreage Reports

USDA's Farm Service Agency (FSA) reminds West Virginia producers to complete <u>crop acreage</u> <u>reports</u> by the applicable deadline for their county. Acreage reporting dates vary by crop and by county. Contact your FSA county office for a list of acreage reporting deadlines by crop.

The following acreage reporting dates are applicable in West Virginia:

- July 15- All Other Crops, Perennial Forage, CRP/CREP
- August 15- Hemp

Due to the pandemic, FSA has implemented acreage reporting flexibilities. FSA can work with producers to file timely acreage reports by phone, email, online tools and virtual meetings. Some FSA offices are open for in-person appointments, but you must call first to make an appointment.

FSA offices are using Microsoft Teams software to virtually meet with producers to review maps and documents for certification. Producers who want to schedule a virtual appointment can download the Microsoft Teams app on their smart phone or tablet and call the FSA office for an appointment. You can also use Microsoft Teams from your personal computer without downloading software.

FSA county offices in West Virginia provided/will provide maps to producers along with instructions for completing and returning the maps through either mail, email or through commercially available free and secure online tools such as Box for file sharing and OneSpan for eSignature solutions. After planting is complete, producers must return the signed form certifying their acreage report to the FSA office through mail, email or the Box and OneSpan.

After completed maps and all acreage reporting information is received, FSA will make software updates and send producers the completed *Report of Acreage* form (FSA-578) to sign. Producers must return the signed form certifying their acreage report to the FSA office through [mail, email, or Box].

The following exceptions apply to acreage reporting dates:

- If the crop has not been planted by the acreage reporting date, the acreage must be reported no later than 15 calendar days after planting is completed.
- If a producer has not timely filed an acreage report, the producer may file the acreage report within 30 days of the acreage reporting date. Because of the pandemic, late fees will be waived if filed within the 30 days.

FSA is also providing additional flexibilities for producers to file on acres with failed crops or crops that were prevented from planting because of extreme weather events. For insured crops, producers who timely filed a prevented planted claim with the reinsurance company but filed a *Notice of Loss* (CCC-576) form after the deadline will be considered timely filed for FSA purposes. For uninsured crops, producers may start a *Notice of Loss* by calling their FSA county 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).