Producers with Crop Insurance to Receive Premium Benefit for Cover Crops

Agricultural producers who have coverage under most crop insurance policies are eligible for a premium benefit from the U.S. Department of Agriculture (USDA) if they planted cover crops during this crop year. The Pandemic Cover Crop Program (PCCP), offered by USDA’s Risk Management Agency (RMA), helps farmers maintain their cover crop systems, despite the financial challenges posed by the pandemic.
The PCCP is part of USDA's Pandemic Assistance for Producers initiative, a bundle of programs to bring financial assistance to farmers, ranchers and producers who felt the impact of COVID-19 market disruptions.

About the Premium Benefit

PCCP provides premium support to producers who insured their spring crop with most insurance policies and planted a qualifying cover crop during the 2021 crop year. The premium support is $5 per acre, but no more than the full premium owed.

All cover crops reportable to FSA are eligible and include cereals and other grasses, legumes, brassicas and other non-legume broadleaves, and mixtures of two or more cover crop species planted at the same time.

To receive the benefit for this program, producers must file a Report of Acreage form (FSA-578) for cover crops with USDA’s Farm Service Agency (FSA) by June 15, 2021, which is distinct from the normal acreage reporting date. The normal acreage reporting deadline with FSA has not changed, but to receive the premium benefit, producers must file by June 15. The cover crop fields reported on the Report of Acreage form must match what the producer reported to their insurance company for crop insurance policies. To file the form, producers must contact and make an appointment with their local USDA Service Center.

Program Details

Certain policies are not eligible because they have underlying coverage, which would already receive the benefit or are not designed to be reported in a manner consistent with the Report of Acreage form (FSA-578). PCCP is not available for Whole-Farm Revenue Protection, Enhanced Coverage Option, Hurricane Insurance Protection – Wind Index, and Supplemental Coverage Option. Stacked Income Protection (STAX) and Margin Protection (MP) policies are only eligible for PCCP when insured as a standalone policy. STAX and MP endorsements to underlying policies are not eligible for PCCP.

PCCP does not change acreage reporting dates, reporting requirements, or any other terms of the crop insurance policy.

Cover Crop Conservation Practice Standard

Meanwhile, USDA’s Natural Resources Conservation Service (NRCS) has made the determination not to update its conservation practice standard for cover crops. NRCS originally proposed restricting mechanical harvest of cover crops, but after reviewing input from agricultural producers and groups, NRCS recognizes this could present challenges for producers who use this important conservation practice. The latest version of the conservation practice standard can be found in the Field Office Technical Guide under Section IV, Conservation Practices and Supporting Documents, by State.

More Information

A Notice of Funding Availability was posted on the Federal Register today. Additional information on PCCP, including frequently asked questions, can be found at farmers.gov/pandemic-assistance/cover-crops.

RMA is authorizing additional flexibilities due to coronavirus while continuing to support producers, working through AIPs to deliver services, including processing policies, claims and
USDA Announces Grants for Urban Agriculture and Innovative Production

$4 million in competitive grants is available to support the development of urban agriculture and innovative production projects. USDA will accept applications on Grants.gov for planning and implementation projects until midnight July 30, 2021.

**Planning Projects** initiate or expand efforts of farmers, gardeners, citizens, government officials, schools and other stakeholders in urban areas and suburbs. Projects may target areas of food access, education, business and start-up costs for new farmers, urban agroforestry or food forests, and development of policies related to zoning and other needs of urban production.

**Implementation Projects** accelerate existing and emerging models of urban, indoor and other agricultural practices that serve multiple farmers. Projects will improve local food access and collaborate with partner organizations and may support infrastructure needs, emerging technologies, educational endeavors and urban farming policy implementation.

**Competitive Grants**

- $4 million in competitive grants will strengthen existing programs and create new projects in the focus areas of food insecurity, community gardens, urban farms, and controlled environmental agriculture.
- Deadline for applying is July 30, 2021.
- A pre-recorded webinar will provide an overview of the grants’ purpose, project types, eligibility and basic requirements for submitting an application. The webinar will be posted at farmers.gov/urban.
- The two categories of these grants are Planning Projects and Implementation Projects.
  - Planning Projects initiate or expand current efforts of farmers, gardeners, citizens, government officials, schools and other stakeholders in urban and suburban areas. Projects may target areas of food access; education; business and start-up costs for new farmers; and development of policies related to zoning and other needs of urban production.
  - Implementation Projects will accelerate existing and emerging models of urban, indoor and other agricultural practices that serve multiple farmers. Projects will improve local food access in urban areas and collaborate with partner organizations. Examples are support of infrastructure needs, emerging technologies, educational endeavors, and urban farming policy development.

**Cooperative Agreements**
• Cooperative Agreements will be available to municipalities, counties, local governments or city planners to increase capacity for implementing urban and suburban municipal compost plans and food waste reduction plans. Implementation activities will increase access to compost for urban producers, improve soil quality and encourages innovative, scalable waste management plans that diverts food waste from landfills.

• $2 million is available for local governments to host Community Compost and Food Waste Reduction (CCFWR) pilot projects for fiscal year 2021.

• Deadline for applying is July 16, 2021.

• Projects should span two years, starting in Fall 2021.

General on Urban Farming

• Urban agriculture generally refers to the cultivation, processing and distribution of agricultural products in urban and suburban settings, including things like vertical production, warehouse farms, community gardens, rooftop farms, hydroponic, aeroponic, and aquaponic facilities, and other innovations. Urban farmers and gardeners work among diverse populations to expand access to nutritious foods, foster community engagement, provide jobs, educate communities about farming, and expand green spaces.

• Urban farmers also practice conservation. They convert food waste into healthy soils by composting, minimize stormwater runoff by capturing rainwater, save energy costs that would otherwise be used for long-distance transportation of food items, and create more green space in the city.

NRCS Support for Urban Farming

• NRCS has been assisting urban farmers for over 10 years.

• Since 2010, NRCS state offices have provided more than $18 million to 130 entities in the form of grants and agreements to support urban agriculture and conservation projects.

• From 2014 to 2019, NRCS completed more than 18,000 conservation practices totaling $41 million on urban farms covering more than 100,000 acres.

• NRCS can provide urban farmers with technical and financial assistance to make critical on-farm improvements including:

  o **Soil health practices:** NRCS can help urban farmers develop strategies for improving soil conditions tailored to a farm’s specific needs through things like nutrient management plans and cover crop practices.

    ▪ NRCS can also provide best management practices to help farmers avoid growing crops in contaminated soil.

  o **Irrigation and water catchment systems:** NRCS develops irrigation water management plans to assist urban farmers such as rainwater catchment, automated pumps, pipelines and water-efficient drip irrigation systems to help reduce water use, soil erosion and maximize yields.

  o **Managing weeds and pests:** NRCS can help with pest management practices - advising on crop rotations and various types of mulches to reduce
weeds and manage insects that harm crops. NRCS can also help with the installation of bat and owl boxes, promote beneficial insects, and companion plantings.

- **High tunnels:** High tunnels extend the growing season and protect plants from harsh weather, air pollution and pests. By making local produce available for more months in the year, fewer resources are used to transport food.

  - NRCS helped producers construct over 18,500 high tunnels on farms around the nation – 9,000 were constructed between 2016 and 2019.

- **Pollinator habitat:** Pollinator habitats help to increase production yields by attracting birds and beneficial insects, such as butterflies and bees. Pollinator plantings provide habitat along with providing nectar as a food source contributing to a healthy ecosystem that is essential for farmers to grow food.

- **Windbreaks:** Plants can help to reduce soil erosion, conserve energy, reduce heating bills, and serve as a sound barrier in urban neighborhoods and provide shelter for plants and create habitat for wildlife.

- **Energy efficiency:** Urban Farming is part of the green infrastructure movement. Recommendations from NRCS Energy Audits have funded conversions of combustion motors such as those in irrigation pumping systems to the use of electric, solar or gravity fed systems. Audits also encourage the use of high efficiency heating and cooling systems that reduce costs.

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**In Historic Move, USDA to Begin Loan Payments to Socially Disadvantaged Borrowers under American Rescue Plan Act Section 1005**

The U.S. Department of Agriculture Farm Service Agency (FSA) published the first notice of funding availability (NOFA) (PDF, 242 KB) announcing loan payments for eligible borrowers with qualifying direct farm loans under the American Rescue Plan Act Section 1005. The official NOFA will be published in the Federal Register early this week and USDA expects payments to begin in early June and continue on a rolling basis. A subsequent notice addressing guaranteed loan balances and direct loans that no longer have collateral and have been previously referred to the Department of Treasury for debt collection for offset, will be published within 120 days.

Section 1005 of the American Rescue Plan Act of 2021 (ARPA) provides funding and authorization for USDA FSA to pay up to 120 percent of direct and guaranteed loan outstanding balances as of January 1, 2021, for socially disadvantaged farmers and ranchers as defined in Section 2501(a) of the Food, Agriculture Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)). Section 2501(a) defines a socially disadvantaged farmer or rancher as a farmer or rancher who is a member of a socially disadvantaged group, which is further defined as a group whose members have been subjected to racial or ethnic prejudice because of their identity as members of a group without regard to their individual qualities. Qualifying loans as part of today’s announcement are certain direct loans under the Farm Loan Programs (FLP) and Farm Storage Facility Loan Program (FSFL).
For much of the history of the USDA, socially disadvantaged farmers and ranchers have faced discrimination—sometimes overt and sometimes through deeply embedded rules and policies—that have prevented them from achieving as much as their counterparts who do not face these documented acts of discrimination. Over the past 30 years, several major civil rights lawsuits have compensated farmers for specific acts of discrimination—including Pigford I and Pigford II, Keepseagle, and the Garcia cases. However, those settlements and other related actions did not address the systemic and cumulative impacts of discrimination over a number of decades that the American Rescue Plan now begins to address.

Sections 1005 and 1006 of ARPA provide USDA with new tools to address longstanding inequities for socially disadvantaged borrowers. Section 1006 of ARPA provides additional funding to begin long-term racial equity work within USDA, including to address heirs property claims and to stand up an Equity Commission to identify barriers to access USDA programming.

To learn more about the loan payments to socially disadvantaged farmers and ranchers, visit www.farmers.gov/americanrescueplan.

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris Administration, USDA is transforming America’s food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit www.usda.gov.

**USDA Expands Aquaculture Disaster Assistance in Georgia to Include Fish Raised for Food**

In response to catastrophic aquaculture losses due to major winter storms that hit states along the U.S. Gulf Coast including Georgia in February, the U.S. Department of Agriculture’s (USDA) Farm Service Agency (FSA) today announced a policy change that makes food fish and other aquatic species eligible for the Emergency Assistance for Livestock, Honey Bees and Farm-raised Fish Program (ELAP). Previously, only farm-raised game and bait fish were eligible for death loss ELAP benefits. Beginning June 1, eligible aquaculture producers can request ELAP assistance for 2021 losses. This policy change is for the 2021 and subsequent program years.

ELAP provides financial assistance to eligible producers of livestock, honeybees and farm-raised fish for losses due to disease, certain adverse weather events or loss conditions, including blizzards and wildfires, as determined by the Secretary.

To be eligible, losses must have occurred on or after January 1, 2021. For farm-raised fish and other aquatic species death losses only that occurred prior to June 1, 2021, FSA is waiving the requirement to file a notice of loss within 30 calendar days of when the loss is apparent. An aquaculture producer will still need to be able to provide contemporaneous records upon request to document the eligible loss event and demonstrate the beginning and
ending inventory. The deadline to file an application for payment for the 2021 program year is January 31, 2022.

Producers must provide acreage reports for the surface acres of water where their aquatic species are raised. Acreage reports for 2021 must be filed by September 30, 2022.

More Information

USDA offers a comprehensive portfolio of disaster assistance programs. On farmers.gov, the Disaster Assistance Discovery Tool, Disaster-at-a-Glance fact sheet, and Farm Loan Discovery Tool can help producers and landowners determine all program or loan options available for disaster recovery assistance. For assistance with a crop insurance claim, producers and landowners should contact their crop insurance agent. For FSA and NRCS programs, they should contact their local USDA Service Center.

Policy Updates for Acreage Reporting

The USDA Farm Service Agency (FSA) recently made several policy updates for acreage reporting for cover crops, revising intended use, late-filed provisions, grazing allotments as well as updated the definitions of “idle” and “fallow.”

Reporting Cover Crops:

Cover crop types can be chosen from the following four categories:

- Cereals and other grasses
- Legumes
- Brassicas and other broadleaves
- Mixtures
- If the cover crop is harvested for any use other than forage or grazing and is not terminated according to policy guidelines, then that crop will no longer be considered a cover crop and the acreage report must be revised to reflect the actual crop.

Permitted Revision of Intended use After Acreage Reporting Date:

New operators or owners who pick up a farm after the acreage reporting deadline has passed and the crop has already been reported on the farm, have 30 calendar days from the date when the new operator or owner acquired the lease on land, control of the land or ownership and new producer crop share interest in the previously reported crop acreage. Under this policy, appropriate documentation must be provided to the County Committee’s satisfaction to determine that a legitimate operator or ownership and producer crop share interest change occurred to permit the revision.

Acreage Reports:

In order to maintain program eligibility and benefits, you must timely file acreage reports. Failure to file an acreage report by the crop acreage reporting deadline may result in ineligibility for future program benefits. FSA will not accept acreage reports provided more than a year after the acreage reporting deadline.
Definitions of Terms

FSA defines “idle” as cropland or a balance of cropland within a Common Land Unit (CLU) (field/subfield) which is not planted or considered not planted and does not meet the definition of fallow or skip row.

USDA Offers New Forest Management Incentive for Conservation Reserve Program

The U.S. Department of Agriculture (USDA) is making available $12 million for use in making payments to forest landowners with land enrolled in the Conservation Reserve Program (CRP) in exchange for their implementing healthy forest management practices. Existing CRP participants can now sign up for the Forest Management Incentive (FMI), which provides financial incentives to landowners with land in CRP to encourage proper tree thinning and other practices.

Right now, less than 10% of land currently enrolled in CRP is dedicated to forestland. But, these nearly 2 million acres of CRP forestland, if properly managed, can have enormous benefits for natural resources by reducing soil erosion, protecting water quality, increasing water quantity, and diversifying local farm operations and rural economies.

Only landowners and agricultural producers with active CRP contracts involving forest cover can enroll. However, this does not include active CRP contracts that expire within two years. Existing CRP participants interested in tree thinning and prescribed burning must comply with the standards and specifications established in their CRP contract.

CRP participants will receive the incentive payment once tree thinning and/or other authorized forest management practices are completed.

The incentive payment is the lower of:

- The actual cost of completing the practice; or
- 75% of the payment rate offered by USDA’s Natural Resources Conservation Service (NRCS) if the practice is offered through NRCS conservation programs.

CRP signup is currently open. FSA will announce deadline later this year. Interested producers should contact their local FSA County Office.

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.

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**Conservation at Work Video Series**

A new video series from NRCS and farmers.gov, *Conservation at Work*, presents short and easy to understand videos about popular conservation practices. These videos feature producers explaining how an individual practice helps their land and why they are using it.

The videos shine the spotlight on farmers, ranchers, and forestland owners from across the U.S. who explain why they’ve implemented the conservation practices and how they work on their land. They also provide insight into how each practice is helping them protect and improve resources and save time and money.

The first 15 videos cover:
The Conservation at Work video series can be found at farmers.gov/conserve/conservationatwork.

**USDA Fruit, Vegetable and Wild Rice Planting Rules Unchanged in 2018 Farm Bill**

Fruit, vegetable and wild rice producers will continue to follow the same rules for certain Farm Service Agency (FSA) programs.

If you intend to participate in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs, you are subject to an acre-for-acre payment reduction when fruits and nuts, vegetables or wild rice are planted on 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 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. 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 an ARC enrolled farm using the county coverage or PLC, or more than 35 percent of the base acres of an ARC enrolled farm 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.
Signature Policy

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits.

The following are FSA signature guidelines:

- A married woman must sign her given name: Mrs. Mary Doe, not Mrs. John Doe
- For a minor, FSA requires the minor’s signature and one from the minor’s parent

Note, by signing a document with a minor, the parent is liable for actions of the minor and may be liable for refunds, liquidated damages, etc.

When signing on one’s behalf the signature must agree with the name typed or printed on the form or be a variation that does not cause the name and signature to be in disagreement.

Example - John W. Smith is on the form. The signature may be John W. Smith or J.W. Smith or J. Smith. Or Mary J. Smith may be signed as Mrs. Mary Joe Smith, M.J. Smith, Mary Smith, etc.

FAXED signatures will be accepted for certain forms and other documents provided the acceptable program forms are approved for FAXED signatures. Producers are responsible for the successful transmission and receipt of FAXED information.

Examples of documents not approved for FAXED signatures include:

- Promissory note
- Assignment of payment
- Joint payment authorization
- Acknowledgement of commodity certificate purchase

Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office.

Spouses cannot sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations or other similar entities. Likewise, a spouse cannot sign a document on behalf of the other in order to affirm the eligibility of oneself.

Any member of a general partnership can sign on behalf of the general partnership and bind all members unless the Articles of Partnership are more restrictive. Spouses may sign on behalf of each other’s individual interest in a partnership, unless notification denying a spouse that authority is provided to the county office. Acceptable signatures for general partnerships, joint ventures, corporations, estates, and trusts must consist of an indicator “by” or “for” the individual’s name, individual’s name and capacity, or individual’s name, capacity, and name of entity.

For additional clarification on proper signatures contact your local FSA office.
FSA Implements Set-Aside Loan Provision for Customers Impacted by COVID-19

Set-Aside Delays Loan Payments for Borrowers

USDA’s Farm Service Agency (FSA) will broaden the use of the Disaster Set-Aside (DSA) loan provision, normally used in the wake of natural disasters, to allow farmers with USDA farm loans who are affected by COVID-19, and are determined eligible, to have their next payment set aside. In some cases, FSA may also set aside a second payment for farmers who have already had one payment set aside because of a prior designated disaster.

FSA direct loan borrowers will receive a letter with the details of the expanded Disaster Set-Aside authorities, which includes the possible set-aside of annual operating loans, as well as explanations of the additional loan servicing options that are available. To discuss or request a loan payment Set-Aside, borrowers should call or email the farm loan staff at their local FSA county office.

The set-aside payment’s due date is moved to the final maturity date of the loan or extended up to twelve months in the case of an annual operating loan. Any principal set-aside will continue to accrue interest until it is repaid. This aims to improve the borrower’s cashflow in the current production cycle.

FSA previously announced it was relaxing the loan-making process and adding flexibilities for servicing direct and guaranteed loans to provide credit to producers in need. Direct loan applicants and borrowers are encouraged to contact their local FSA county office to discuss loan making and servicing flexibilities and other needs or concerns. Customers participating in FSA’s guaranteed loan programs are encouraged to contact their lender. Information on these flexibilities, and office contact information, can be found on farmers.gov/coronavirus.

FSA will be accepting most forms and applications by facsimile or electronic signature. Some services are also available online to customers with an eAuth account, which provides access to the farmers.gov portal where producers can view USDA farm loan information and certain program applications and payments. Customers can track payments, report completed practices, request conservation assistance and electronically sign documents. Customers who do not already have an eAuth account can enroll at farmers.gov/sign-in.

Reminders for FSA Direct and Guaranteed Borrowers with Real Estate Security

Farm loan borrowers who have pledged real estate as security for their Farm Service Agency (FSA) direct or guaranteed loans are responsible for maintaining loan collateral. Borrowers must obtain prior consent or approval from FSA or the guaranteed lender for any transaction that affects real estate security. These transactions include, but are not limited to:

- Leases of any kind
- Easements of any kind
• Subordinations
• Partial releases
• Sales

Failure to meet or follow the requirements in the loan agreement, promissory note, and other security instruments could lead to nonmonetary default which could jeopardize your current and future loans.

It is critical that borrowers keep an open line of communication with their FSA loan staff or guaranteed lender when it comes to changes in their operation. For more information on borrower responsibilities, read Your FSA Farm Loan Compass.