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Farm Service Agency **Electronic News Service**

NEWSLETTER

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Georgia State FSA Newsletter

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FSA Opens CFAP 2 Signup for Additional Enrollment; Updates Additional CFAP Provisions

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) announced that signup has reopened for the Coronavirus Food Assistance Program 2 (CFAP 2) as part of the Pandemic Assistance for Producers initiative. The initial CFAP 2 signup ended on December 11, 2020, but USDA has reopened sign-up for CFAP 2 for at least 60 days beginning April 5, 2021, for producers to apply or make modifications to existing CFAP 2 applications.

CFAP 2 provides direct financial relief to producers due to market disruptions and associated costs because of COVID-19. CFAP 2 payments will be made for three categories of commodities – Price Trigger Commodities, Flat-rate Crops and Sales Commodities. Visit

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

farmers.gov/cfap/commodities for a full list of eligible commodities for each category.

Price Trigger Commodities Price trigger commodities are major commodities that meet a minimum 5-percent price decline over a specified period of time. Eligible price trigger crops include barley, corn, sorghum, soybeans, sunflowers, upland cotton, and all classes of wheat. Payments will be based on 2020 planted acres of the crop, excluding prevented planting and experimental acres.

For broilers and eggs, payments will be based on 75 percent of the producers' 2019 production.

Dairy (cow's milk) payments will be based on actual milk production from April 1 to August 31, 2020. The milk production for September 1, 2020, to December 31, 2020, will be estimated by FSA.

Eligible beef cattle, hogs and pigs, and lambs and sheep payments will be based on the maximum owned inventory of eligible livestock, excluding breeding stock, on a date selected by the producer, between April 16, 2020, and Aug. 31, 2020.

Flat-rate Crops Crops that either do not meet the 5-percent price decline trigger or do not have data available to calculate a price change will have payments calculated based on eligible 2020 acres multiplied by \$15 per acre. These crops include alfalfa, extra long staple (ELS) cotton, oats, peanuts, rice, hemp, millet, mustard, safflower, sesame, triticale, rapeseed, and several others.

Sales Commodities include specialty crops; aquaculture; nursery crops and floriculture; other commodities not included in the price trigger and flat-rate categories, turfgrass sod; pullets; goat milk; mink (including pelts); mohair; wool; and other livestock (excluding breeding stock), not included under the price trigger category that were grown for food, fiber, fur, or feathers. Payment calculations will use a sales-based approach, where producers are paid based on five payment gradations associated with their 2019 sales, and crop insurance indemnities, Noninsured Crop Disaster Assistance Program (NAP), and Wildfire and Hurricane Indemnity Program Plus (WHIP+) payments for crop year 2019.

Applying for CFAP 2

Visit farmers.gov/cfap for details on all eligible commodities, producer eligibility, payment limitations and structure and additional program resources.

Producers have multiple options to apply for CFAP 2, including through an online application portal and by working directly with the FSA office. Customers seeking one-on-one support with the CFAP

2 application process can call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

Additional CFAP Payments for Beef and Row-Crop Producers

The Consolidated Appropriations Act, 2021, authorizes an increase in CFAP 1 payment rates for cattle. Cattle producers with approved CFAP 1 applications will automatically receive these payments and do not need to submit a new application since payments are based on previously approved CFAP 1 applications. Producers may be asked for additional information depending on how they filed the original application. Information on the additional payment rates for cattle can be found on farmers.gov/cfap.

This act also authorized additional CFAP assistance of \$20 per acre for producers of eligible CFAP 2 flat-rate or price trigger commodities. FSA will automatically issue payments to eligible producers based on the eligible acres included on their CFAP 2 applications. Eligible producers do not need to submit a new CFAP 2 application.

Additional CFAP Actions FSA has also begun payment processing applications filed as part of the CFAP Additional Assistance program in the following categories:

- Applications filed for pullets and turfgrass sod;
- A formula correction for row-crop producer applications to allow producers with a non-Actual Production History (APH) insurance policy to use 100% of the 2019 Agriculture Risk Coverage-County Option (ARC-CO) benchmark yield in the calculation; and
- Sales commodity applications revised to include insurance indemnities, Noninsured Crop Disaster Assistance Program payments, and Wildfire and Hurricane Indemnity Program Plus payments.

Additional payments for swine producers and contract growers under CFAP Additional Assistance remain on hold and are likely to require modifications to the regulation as part of the broader evaluation and future assistance; however, FSA will continue to accept applications from interested producers.

After Identifying Gaps in Previous Aid, USDA Announces 'Pandemic Assistance for Producers' to Distribute Resources More Equitably

Agriculture Secretary Tom Vilsack announced that USDA is establishing new programs and efforts to bring financial assistance to farmers, ranchers and producers who felt the impact of COVID-19

market disruptions. The new initiative—**USDA Pandemic Assistance for Producers**—will reach a broader set of producers than in previous COVID-19 aid programs.

USDA is dedicating at least \$6 billion toward the new programs. The Department will also develop rules for new programs that will put a greater emphasis on outreach to small and socially disadvantaged producers, specialty crop and organic producers, timber harvesters, as well as provide support for the food supply chain and producers of renewable fuel, among others. Existing programs like the Coronavirus Food Assistance Program (CFAP) will fall within the new initiative and, where statutory authority allows, will be refined to better address the needs of producers.

USDA Pandemic Assistance for Producers was needed, said Vilsack, after a review of previous COVID-19 assistance programs targeting farmers identified a number of gaps and disparities in how assistance was distributed as well as inadequate outreach to underserved producers and smaller and medium operations.

USDA will reopen sign-up for CFAP 2 for at least 60 days beginning on April 5, 2021. The USDA Farm Service Agency (FSA) has committed at least \$2.5 million to improve outreach for CFAP 2 and will establish partnerships with organizations with strong connections to socially disadvantaged communities to ensure they are informed and aware of the application process.

USDA Pandemic Assistance for Producers – 4 Parts

Part 1: Investing \$6 Billion to Expand Help & Assistance to More Producers

USDA will dedicate at least \$6 billion to develop a number of new programs or modify existing proposals using discretionary funding from the Consolidated Appropriations Act and other coronavirus funding that went unspent by the previous administration.

Part 2: Adding \$500 Million of New Funding to Existing Programs

USDA expects to begin investing approximately \$500 million in expedited assistance through several existing programs this spring, with most by April 30.

Part 3: Carrying Out Formula Payments under CFAP 1, CFAP 2, CFAP AA

The Consolidated Appropriations Act, 2021, enacted December 2020 requires FSA to make certain payments to producers according to a mandated formula. USDA is now expediting these provisions because there is no discretion involved in interpreting such directives, they are self-enacting.

- An increase in CFAP 1 payment rates for cattle. Cattle producers with approved CFAP 1 applications will automatically receive these payments beginning in April. Information on the additional payment rates for cattle can be found on farmers.gov/cfap. Eligible producers do not need to submit new applications, since payments are based on previously approved CFAP 1 application. USDA estimates additional payments of more than \$1.1 billion to more than 410,000 producers, according to the mandated formula.
- Additional CFAP assistance of \$20 per acre for producers of eligible crops identified as CFAP 2 flat-rate or price-trigger crops beginning in April. This includes alfalfa, corn, cotton, hemp, peanuts, rice, sorghum, soybeans, sugar beets and wheat, among other crops. FSA will automatically issue payments to eligible price trigger and flat-rate crop producers based on the eligible acres included on their CFAP 2 applications. Eligible producers do not need to submit a new CFAP 2 application. For a list of all eligible row-crops, visit farmers.gov/cfap. USDA estimates additional payments of more than \$4.5 billion to more than 560,000 producers, according to the mandated formula.

- USDA will finalize routine decisions and minor formula adjustments on applications and begin processing payments for certain applications filed as part of the CFAP Additional Assistance program in the following categories:
 - Applications filed for pullets and turfgrass sod;
 - A formula correction for row-crop producer applications to allow producers with a non-Actual Production History (APH) insurance policy to use 100% of the 2019 Agriculture Risk Coverage-County Option (ARC-CO) benchmark yield in the calculation;
 - Sales commodity applications revised to include insurance indemnities, Noninsured Crop Disaster Assistance Program payments, and Wildfire and Hurricane Indemnity Program Plus payments, as required by statute; and
 - Additional payments for swine producers and contract growers under CFAP Additional Assistance remain on hold and are likely to require modifications to the regulation as part of the broader evaluation and future assistance; however, FSA will continue to accept applications from interested producers.

Part 4: Reopening CFAP 2 Sign-Up to Improve Access & Outreach to Underserved Producers

As noted above, USDA will re-open sign-up for of CFAP 2 for at least 60 days beginning on April 5, 2021.

- FSA has committed at least \$2.5 million to establish partnerships and direct outreach efforts intended to improve outreach for CFAP 2 and will cooperate with grassroots organizations with strong connections to socially disadvantaged communities to ensure they are informed and aware of the application process.

Please visit www.farmers.gov for additional information and announcements under the **USDA Pandemic Assistance to Producers** initiative, which will help to expand and more equitably distribute financial assistance to producers and farming operations during the COVID-19 national emergency.

American Rescue Plan Socially Disadvantaged Farmer Debt Payments

USDA recognizes that socially disadvantaged farmers and ranchers have faced systemic discrimination with cumulative effects that have, among other consequences, led to a substantial loss in the number of socially disadvantaged producers, reduced the amount of farmland they control, and contributed to a cycle of debt that was exacerbated during the COVID-19 pandemic. During the pandemic, socially disadvantaged communities saw a disproportionate amount of COVID-19 infection rates, loss of property, hospitalizations, death, and economic hurt.

To address these systemic challenges, the American Rescue Plan Act of 2021 provides historic debt relief to socially disadvantaged producers including Black/African American, American Indian or Alaskan native, Hispanic or Latino, and Asian American or Pacific Islander.

USDA is now reviewing and working to gather feedback to implement the Act, and more guidance will be forthcoming for socially disadvantaged borrowers with direct or guaranteed farm loans as well as Farm Storage Facility Loans. As information becomes available, it will be provided directly to socially disadvantaged borrowers and stakeholder groups representing socially disadvantaged

producers, posted here on farmers.gov, and shared through our social media channels, email newsletters, and the media.

Who qualifies for this debt relief?

Any socially disadvantaged borrower with direct or guaranteed farm loans as well as Farm Storage Facility Loans qualifies. The American Rescue Plan Act uses the 2501 definition of socially disadvantaged, which includes Black/African American, American Indian or Alaskan native, Hispanic or Latino, and Asian American or Pacific Islander. Gender is not a criterion in and of itself, but of course women are included in these categories.

I qualify as socially disadvantaged under the American Rescue Plan definition, but I am not late on my payments. Do I still qualify?

Yes. Any socially disadvantaged borrower with direct or guaranteed farm loans as well as Farm Storage Facility Loans qualifies.

When will qualified borrowers begin to see a loan pay-off or other payment in response to the American Rescue Plan?

USDA is now reviewing and working to gather feedback to implement the Act, and more guidance will be forthcoming for socially disadvantaged borrowers with direct or guaranteed farm loans as well as Farm Storage Facility Loans. For borrowers in arrears, the moratorium established on January 26th to stop all debt collections, foreclosures and evictions for all borrowers, including socially disadvantaged producers, remains in effect.

Producers who have worked with USDA's Farm Service Agency previously may have their ethnicity and race on file. A borrower, including those with guaranteed loans, can contact their local their local USDA Service Center to verify, update or submit a new ethnicity and race designation using the AD-2047. Find your nearest service center at farmers.gov/service-locator.

To learn more about USDA's work to implement the American Rescue Plan Act of 2021, visit www.usda.gov/arp.

Heirs' Property Landowners

USDA recently launched a new website for producers to find information on heirs' property.

Heirs' property is family owned land that is jointly owned by descendants of a deceased person whose estate did not clear probate. The descendants, or heirs, have the right to use the property, but they do not have a clear or marketable title to the property since the estate issues remain unresolved.

The 2018 Farm Bill authorized alternative documentation for heirs' property operators to establish a farm number. A farm number is required to be eligible for many different USDA programs, including lending, disaster relief programs, and participation in county committees.

For more information visit farmers.gov/manage/HeirsPropertyLandowners.

Additional USDA Programs and Services

USDA offers a variety of farm loan, risk management, disaster assistance, and conservation programs to support farmers, including heirs' property landowners once they have a farm number.

USDA also has several special provisions and resources for heirs' property landowners, including:

- Targeted funding through farm loans
- Crop insurance benefits
- Conservation program benefits

USDA Reminds Producers to Complete Crop Acreage Reports

The USDA Farm Service Agency (FSA) reminds agricultural producers in Georgia counties to complete [crop acreage reports](#) by the final acreage reporting date.

The following acreage reporting dates are applicable for Georgia Counties:

May 15, 2021	Sweet Corn (planted 8/26-5/15), Tobacco, Tomatoes (planted 8/16-4/5)
July 15, 2021	All other crops, Perennial Forage
August 15, 2021	Tomatoes (planted 7/1-8/15), Hemp
September 15, 2021	Sweet Corn (planted 7/15-8/25)
October 15, 2021	Cabbage (planted 7/16-9/30)
November 15, 2021	Onions (planted 9/20-10/20)

To complete your acreage report, please call the Name County FSA office to schedule an appointment. FSA can work with producers to file timely acreage reports by phone, email, online tools and virtual meetings as well as by appointment in person.

OR

To complete your acreage report, please call your county FSA office to schedule an appointment. FSA can work with producers to file timely acreage reports by phone, email, online tools and virtual meetings.

The county FSA offices provided/will provide maps to producers along with instructions for completing and returning the maps through either mail or email. After planting is complete, producers must return the signed form certifying their acreage report to the FSA office through mail or email.

The following exception applies 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. **Fruit and Vegetable Noninsured Crop Disaster Assistance Program (NAP) policyholders should note that the acreage reporting date for NAP covered crops is 15 days after the designated final planting date for the specific zone.**
- **Perennial Forage Noninsured Crop Disaster Assistance Program (NAP) policyholders should note that the acreage reporting date for perennial forage is 15 calendar days before the onset of harvest or grazing of the specific crop being reported.**

For questions, please call your local County 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.

Actively Engaged Provisions for Non-Family Joint Operations or Entities

Many Farm Service Agency (FSA) programs require all program participants, either individuals or legal entities, to be “actively engaged in farming.” This means participants provide a significant contribution to the farming operation, whether it is capital, land, equipment, active personal labor and/or management. For entities, each partner, stockholder or member with an ownership interest, must contribute active personal labor and/or management to the operation on a regular basis that is identifiable and documentable as well as separate and distinct from contributions of any other member. Members of joint operations must have a share of the profits or losses from the farming operation commensurate with the member’s contributions to the operation and must make contributions to the farming operation that are at risk for a loss, with the level of risk being commensurate with the member’s claimed share on the farming operation.

Joint operations comprised of non-family members or partners, stockholders or persons with an ownership in the farming operation must meet additional payment eligibility provisions. Joint operations comprised of family members are exempt from these additional requirements. For 2016 and subsequent crop years, non-family joint operations can have one member that may use a significant contribution of active personal management exclusively to meet the requirements to be determined “actively engaged in farming.” The person or member will be defined as the farm manager for the purposes of administering these management provisions.

Non-family joint operations may request to add up to two additional managers for their farming operation based on the size and/or complexity of the operation. If additional farm managers are requested and approved, all members who contribute management are required to complete form CCC-902MR, *Management Activity Record*. The farm manager should use the form to record management activities including capital, labor and agronomics, which includes crop selection, planting decisions, acquisition of inputs, crop management and marketing decisions. One form should be used for each month and the farm manager should enter the number of hours of time spent for each activity under the date of the month the actions were completed. The farm manager must also document if each management activity was completed on the farm or remotely.

The records and supporting business documentation must be maintained and timely made available for review by the appropriate FSA reviewing authority, if requested.

If the farm manager fails to meet these requirements, their contribution of active personal management to the farming operation for payment eligibility purposes will be disregarded and their payment eligibility status will be re-determined for the applicable program year.

In some instances, additional persons or members of a non-family member joint operation who meet the definition of farm manager may also be allowed to use such a contribution of active personal management to meet the eligibility requirements. However, under no circumstances may the number of farm managers in a non-family joint operation exceed a total of three in any given crop and program year.

Filing CCC-941 Adjusted Gross Income (AGI) Certifications

If you 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), it may be because you have not filed form CCC-941, *Adjusted Gross Income Certification*.

If you don’t have a valid CCC-941 on file for the applicable crop year you 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 2018, 2019, 2020 and 2021. Unlike the past, you must have the CCC-941 certifying your AGI compliance before any payments can be issued.

Making 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 and all 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.

For questions on your farm reconstitution, contact your local County USDA Service Center.

USDA Announces Streamlined Guaranteed Loans and Additional Lender Category for Small-Scale Operators

Options Help More Beginning, Small and Urban Producers Gain Access to Credit

Producers can apply for a streamlined version of USDA guaranteed loans, which are tailored for smaller scale farms and urban producers EZ Guarantee Loans use a simplified application process

to help beginning, small, underserved, and family farmers and ranchers apply for loans of up to \$100,000 from USDA-approved lenders to purchase farmland or finance agricultural operations.

A new category of lenders will join traditional lenders, such as banks and credit unions, in offering USDA EZ Guarantee Loans. Microlenders, which include Community Development Financial Institutions and Rural Rehabilitation Corporations, will be able to offer their customers up to \$50,000 of EZ Guaranteed Loans, helping to reach urban areas and underserved producers. Banks, credit unions and other traditional USDA-approved lenders, can offer customers up to \$100,000 to help with agricultural operation costs.

EZ Guarantee Loans offer low interest rates and terms up to seven years for financing operating expenses and 40 years for financing the purchase of farm real estate. USDA-approved lenders can issue these loans with the Farm Service Agency (FSA) guaranteeing the loan up to 95 percent.

For more information about the available types of FSA farm loans, contact your local county USDA Service Center or visit fsa.usda.gov/farmloans.

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).