Quality Loss Assistance Now Available for Eligible Producers Affected by 2018, 2019 Natural Disasters

The U.S. Department of Agriculture’s (USDA) Farm Service Agency (FSA) announced that signup for the Quality Loss Adjustment (QLA) Program began Wednesday, January 6, 2021. Funded by the Further Consolidated Appropriations Act of 2020, this new program provides assistance to producers who suffered eligible crop quality losses due to natural disasters occurring in 2018 and 2019. The deadline to apply for QLA is Friday, March 5, 2021.
Eligible Crops

Eligible crops include those for which federal crop insurance or Noninsured Crop Disaster Assistance Program (NAP) coverage is available, except for grazed crops and value loss crops, such as honey, maple sap, aquaculture, floriculture, mushrooms, ginseng root, ornamental nursery, Christmas trees, and turfgrass sod.

Additionally, crops that were sold or fed to livestock or that are in storage may be eligible; however, crops that were destroyed before harvest are not eligible. Crop quality losses occurring after harvest, due to deterioration in storage, or that could have been mitigated, are also not eligible.

Assistance is based on a producer’s harvested affected production of an eligible crop, which must have had at least a 5% quality loss reflected through a quality discount; or for forage crops, a nutrient loss, such as total digestible nutrients.

Qualifying Disaster Events

Losses must have been a result of a qualifying disaster event (hurricane, excessive moisture, flood, qualifying drought, tornado, typhoon, volcanic activity, snowstorm, or wildfire) or related condition that occurred in calendar years 2018 and/or 2019.

Assistance is available for eligible producers in counties that received a qualifying Presidential Emergency Disaster Declaration or Secretarial Disaster Designation because of one or more of the qualifying disaster events or related conditions.

Lists of counties with Presidential Emergency Disaster Declarations and Secretarial Disaster Designations for all qualifying disaster events for 2018 and 2019 are available here. For drought, producers are eligible for QLA if the loss occurred in an area within a county rated by the U.S. Drought Monitor as having a D3 (extreme drought) or higher intensity level during 2018 or 2019.

Producers in counties that did not receive a qualifying declaration or designation may still apply but must also provide supporting documentation to establish that the crop was directly affected by a qualifying disaster event.

To determine QLA eligibility and payments, FSA considers the total quality loss caused by all qualifying natural disasters in cases where a crop was impacted by multiple events.

Applying for QLA

When applying, producers are asked to provide verifiable documentation to support claims of quality loss or nutrient loss in the case of forage crops. For crops that have been sold, grading must have been completed within 30 days of harvest, and for
forage crops, a laboratory analysis must have been completed within 30 days of harvest.

Some acceptable forms of documentation include sales receipts from buyers, settlement sheets, truck or warehouse scale tickets, written sales contracts, similar records that represent actual and specific quality loss information, and forage tests for nutritional values.

Payments Calculations and Limitations

QLA payments are based on formulas for the type of crop (forage or non-forage) and loss documentation submitted. Based on this documentation FSA is calculating payments based on the producer’s own individual loss or based on the county average loss. More information on payments can be found on farmers.gov/quality-loss.

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

For each crop year, 2018, 2019 and 2020, the maximum amount that a person or legal entity may receive, directly or indirectly, is $125,000. Payments made to a joint operation (including a general partnership or joint venture) will not exceed $125,000, multiplied by the number of persons and legal entities that comprise the ownership of the joint operation. A person or legal entity is ineligible for QLA payment if the person’s or legal entity’s average Adjusted Gross Income exceeds $900,000, unless at least 75% is derived from farming, ranching or forestry-related activities.

Future Insurance Coverage Requirements

All producers receiving QLA Program payments are required to purchase crop insurance or NAP coverage for the next two available crop years at the 60% coverage level or higher. Wildfire and Hurricane Indemnity Program Plus (WHIP+) participants who already met the WHIP+ requirement to purchase crop insurance or NAP coverage are considered to have thereby met the requirement to purchase crop insurance or NAP coverage for QLA. If eligible, QLA participants may meet the insurance purchase requirement by purchasing Whole-Farm Revenue Protection coverage offered through USDA’s Risk Management Agency.

More Information For more information, visit farmers.gov/quality-loss, or contact your local USDA Service Center. Producers can also obtain one-on-one support with applications by calling 877-508-8364.
Agricultural producers and private landowners interested in the Conservation Reserve Program (CRP) can sign up for the popular program beginning January 4, 2021, until February 12, 2021. The competitive program, administered by USDA’s Farm Service Agency (FSA), provides annual rental payments for land devoted to conservation purposes.

Through CRP, farmers and ranchers establish long-term, resource-conserving plant species, such as approved grasses or trees, to control soil erosion, improve water quality and enhance wildlife habitat on cropland. Farmers and ranchers who participate in CRP help provide numerous benefits to their local region and the nation’s environment and economy. CRP general signup is held annually and is competitive; general signup includes increased opportunities for wildlife habitat enrollment through the State Acres For Wildlife Enhancement (SAFE) initiative.

New cropland offered in the program must have been planted for four out of six crop years from 2012 to 2017. Additionally, producers with land already enrolled but expiring on September 30, 2021, can re-enroll this year. The acreage offered by producers and landowners is evaluated competitively; accepted offers will begin October 1, 2021.

Signed into law in 1985, CRP is one of the largest private-lands conservation programs in the United States. The program marked its 35-year anniversary in December 2020. 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.
- Benefiting bees and other pollinators and increasing populations of ducks, pheasants, turkey, bobwhite quail, prairie chickens, grasshopper sparrows, and many other birds.

**USDA Offers Additional Assistance for Certain Producers Through Coronavirus Food Assistance Program**

U.S. Secretary of Agriculture Sonny Perdue announced the U.S. Department of Agriculture (USDA) will provide additional assistance through the Coronavirus Food Assistance Program (CFAP), expanding eligibility for some agricultural producers and commodities as well as updating payments to accurately compensate some producers who already applied for the program. Producers who are now eligible and those who need to modify existing applications due to these updates can contact USDA’s Farm Service Agency (FSA) between Jan. 19 and Feb. 26. Some of these changes are being made to align with the recently enacted Consolidated Appropriations Act of 2021 while others are discretionary changes being made in response to ongoing evaluation of CFAP.

**Background:**

**Expanded Eligibility for CFAP 2**
Contract producers of swine, broilers, laying hens, chicken eggs and turkeys who suffered a drop in revenue in 2020 as compared to their 2019 revenue because of the pandemic now are eligible for assistance. Producers could receive up to 80% of their revenue loss, subject to the availability of funds.

Producers of pullets and turfgrass sod also now are eligible for CFAP payments. The commodities were not explicitly included in the initial CFAP 2 rule. Payments are based on eligible sales and the payment calculation in the updated rule includes crop insurance indemnities, Noninsured Crop Disaster Assistance Program (NAP), and Wildfire and Hurricane Indemnity Program – Plus (WHIP+) payments.

**Updated Payment Calculations for CFAP 2**

Similarly, FSA adjusted the payment calculation to use the producer’s eligible 2019 calendar year sales, and 2019 crop insurance indemnities, NAP, and WHIP+ payments, multiplied by the applicable payment rate for all sales commodities, which include specialty crops, aquaculture, tobacco, specialty livestock, nursery crops and floriculture, for CFAP 2. Producers who applied during the sign-up period that closed December 11, 2020, can modify an existing CFAP 2 application between January 19 and February 26, 2021.

Additionally, FSA adjusted the payment calculation for certain row crops for CFAP 2, specifically those where a producer had crop insurance coverage but not an available 2020 Actual Production History (APH) approved yield. FSA is now using 100% of the 2019 Agriculture Risk Coverage-County Option (ARC-CO) benchmark yield to calculate payments when an APH is not available rather than 85%, which was in the original CFAP 2 calculations. This calculation changes only for producers with crop insurance coverage who grow barley, corn, sorghum, soybeans, sunflowers, upland cotton and wheat. Producers who applied during the sign-up period that closed December 11, 2020, can modify an existing CFAP 2 application between January 19 and February 26, 2021.

**CFAP 1 ‘Top-up’ Payments for Swine**

FSA is providing an additional CFAP 1 inventory payment for swine to help producers who face continuing market disruptions from changes in U.S. meat consumption due to the pandemic. Swine producers with approved CFAP 1 applications will soon automatically receive a “top-up” payment of $17 per head increasing the total CFAP 1 inventory payment to $34 per head.

**More Information**

Newly eligible producers can submit a new CFAP 2 application or producers who need to modify an existing one can do so between January 19 and February 26, 2021, by contacting their local USDA Service Center. New applicants can also obtain one-on-one support with applications by calling 877-508-8364.

In addition to the changes being made to CFAP, per language in the Consolidated Appropriations Act of 2021, FSA will extend 2020 Marketing Assistance Loans to provide additional flexibilities for farmers. FSA is also preparing to move forward on implementation of the remaining provisions of the recently passed Consolidated Appropriations Act of 2021.

To learn more about this additional assistance, visit [farmers.gov/cfap](http://farmers.gov/cfap).
USDA Seeks Members for Advisory Committee on Urban Agriculture

The U.S. Department of Agriculture (USDA) is seeking members for a new advisory committee on urban agriculture, part of a broader effort to focus on the needs of urban farmers. The 12-person committee will advise the Secretary of Agriculture on the development of policies and outreach relating to urban, indoor and other emerging agricultural production practices as well as identify any barriers to urban agriculture.

USDA is seeking nominations for individuals representing a broad spectrum of expertise, including:

- Four agricultural producers (two agricultural producers in an urban area or urban cluster and two agricultural producers who use innovative technology).
- Two representatives from an institution of higher education or extension program.
- One representative of a nonprofit organization, which may include a public health, environmental or community organization.
- One representative of business and economic development, which may include a business development entity, a chamber of commerce, a city government or a planning organization.
- One individual with supply chain experience, which may include a food aggregator, wholesale food distributor, food hub or an individual who has direct-to-consumer market experience.
- One individual from a financing entity.
- Two individuals with related experience or expertise in urban, indoor and other emerging agriculture production practices, as determined by the Secretary.
- The 2018 Farm Bill established the Office of Urban Agriculture and Innovative Production and directed USDA to form this advisory committee as well as make other advancements related to urban agriculture. It is led by the NRCS and works in partnership with numerous USDA agencies that support urban agriculture. Its mission is to encourage and promote urban, indoor and other emerging agricultural practices, including community composting and food waste reduction. More information is available in this notice on the Federal Register or at farmers.gov/urban.
- Nominations should include a cover letter, resume and a background form. Nomination packages must be submitted by mail or email by March 5, 2021. They should be addressed to Ronald Harris, Designated Federal Officer, Director of Outreach and Partnerships, Natural Resources Conservation Service (NRCS), Department of Agriculture, 1400 Independence Avenue, S.W., Room 6006-S, Washington, D.C. 20250, or emailed to Ronald.Harris@usda.gov.
- Any interested person or organization may nominate qualified individuals for membership. Self-nominations are also welcome.

New to Farming Because of the Pandemic? USDA Can Help

Are you new to farming because of the pandemic? USDA can help you get started – everything from helping you register your farm to getting financial assistance and advice. Our team members, based at USDA Service Centers across the country, are hearing from people who are interested in more space and working the land, and we want to let you know we can help.

Get Started with USDA
First, you want to make sure your farm is registered. If you purchased land, it might already be established with USDA’s Farm Service Agency (FSA) with a farm number on file. If not, FSA can help you register your farm.

To obtain a farm number, you’ll bring an official tax ID (Social Security number or an employer ID) and a property deed. If you do not own the land, bring a lease agreement to show you have control of the property to your FSA representative. If your operation is incorporated or an entity, you may also need to provide proof that you have signature authority and the legal ability to enter contracts with USDA.

**Access to Capital**

USDA can provide access to capital through its farm loans, which is a great resource when producers aren’t able to get a loan from a traditional lender. Loans can help with purchasing land or equipment or with operating costs, and FSA even offers microloans, which are especially popular among producers with smaller farms. For more information, check out our Farm Loan Discovery Tool.

**Conservation Practices**

We can help you make conservation improvements to your farm, which are good for your bottom line and your operation. We’ll help you develop a conservation plan as well as apply for financial assistance that’ll cover the bulk of the costs for implementing. To learn more about some of the conservation practices that we help producers with, check out our Conservation at Work Video Series.

If you purchase land, and you don’t want to farm all of it, you can look at either a conservation easement or managing for native shrubs and grasses through either the Agricultural Conservation Easement Program or Conservation Reserve Program (CRP). Easements are long-term, while a CRP contract is 10-15 years. These are good options for lands with land that is not optimal for production or sensitive lands like wetlands and grasslands.

**Additional Resources**

Depending on your farm, you may want to look at crop insurance. The USDA’s Risk Management Agency provides crop insurance to help you manage risks on your farm. There are many types of insurance products available for a wide variety of production practices, including organic and sustainable agriculture.

Your local communities also have great resources for farmers including conservation districts, Rural Development, cooperative extensions, and different farming groups. To get started with USDA, contact your local USDA Service Center or call the State Office at 706-546-2266 or neal.leonard@usda.gov.

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**USDA Service Centers Provide Free, One-on-One Help for Farmers**

At USDA, we are committed to helping farmers complete loan applications, environmental reviews, and other paperwork free of charge. One-on-one support is available at more than 2,300 USDA Service Centers nationwide. USDA’s Farm Service Agency and Natural Resources Conservation
Service staff are usually co-located at these Service Centers and can help guide farmers to the best USDA assistance based on their unique goals, whether it is loans, conservation programs, or insurance.

Service Center staff can guide farmers through the process of preparing and submitting required paperwork on their own, with no need to hire a paid preparer. Language translation service is available in all USDA Service Centers, so one-on-one assistance with a Service Center employee can be translated in real time for farmers requiring it. And while some program and loan applications do have an administrative fee for filing, there is never a charge for preparation services provided by USDA staff.

Farmers who work with the USDA Service Center can:

- Establish their farm by registering for a farm number, which is required for USDA programs and assistance.
- Learn how to meet conservation compliance provisions.
- Verify eligibility for USDA programs.
- Discuss their business and conservation goals.
- Create a conservation plan.
- Fill out and file loan and program applications.

We are committed to delivering USDA programs and services to America’s farmers and ranchers while taking safety measures in response to COVID-19. We encourage you to check the status of your local USDA Service Center and make an appointment to discuss your business needs.

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**USDA Reminds Producers to Complete Crop Acreage Reports**

The USDA Farm Service Agency (FSA) reminds agricultural producers in Georgia to complete crop acreage reports.

The following acreage reporting dates are applicable for Georgia:

- **January 15, 2021**: Apples, Blueberries, Canola, Peaches, Rye, Rapeseed, Fall-Seeded Small Grains
- **February 15, 2021**: Onions (planted 10/21-2/1)
- **March 15, 2021**: Cabbage (planted 10/2-2/20), Pecans
- **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)
- **September 15, 2021**: Sweet Corn (planted 7/15-8/25)
To complete your acreage report, please call your local FSA office to schedule an appointment. FSA can work with producers to file timely acreage reports by phone, as well as by appointment in person.

The local FSA office will provide maps to producers along with instructions for completing and returning the maps through mail, email or appointment in person. After planting is complete, producers must return the signed form certifying their acreage report to the FSA office through mail, email, or appointment in person by the acreage reporting deadline.

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.
- For questions, please call your local County FSA Office.
- Noninsured Crop Disaster Assistance Program (NAP) policyholders should note that the acreage reporting date for NAP covered crops is the earlier of the dates listed above or 15 days after the approved final planting date for the specific crop.

Transitioning Expiring CRP Land to Beginning, Veteran or Underserved Farmers and Ranchers

CRP contract holders are encouraged to transition their Conservation Reserve Program (CRP) acres to beginning, veteran or socially disadvantaged farmers or ranchers through the Transition Incentives Program (TIP). TIP provides annual rental payments to the landowner or operator for up to two additional years after the CRP contract expires.

CRP contract holders no longer need to be a retired or retiring owner or operator to transition their land. TIP participants must agree to sell, have a contract to sell, or agree to lease long term (at least five years) land enrolled in an expiring CRP contract to a beginning, veteran, or socially disadvantaged farmer or rancher who is not a family member.

Beginning, veteran or social disadvantaged farmers and ranchers and CRP participants may enroll in TIP beginning two years before the expiration date of the CRP contract. The TIP application must be submitted prior to completing the lease or sale of the affected lands. New landowners or renters that return the land to production must use sustainable grazing or farming methods.

For more information, contact your local county USDA Service Center or the state office at 706-546-2266 or visit fsa.usda.gov.

Enrollment Begins for Agriculture Risk Coverage and Price Loss Coverage Programs for 2021

Agricultural producers can now make elections and enroll in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2021 crop year. The signup period opened
Tuesday, Oct. 13. These key U.S. Department of Agriculture (USDA) safety-net programs help producers weather fluctuations in either revenue or price for certain crops, and more than $5 billion in payments are in the process of going out to producers who signed up for the 2019 crop year.

Enrollment for the 2021 crop year closes March 15, 2021.

ARC provides income support payments on historical base acres when actual crop revenue declines below a specified guaranteed level. PLC provides income support payments on historical base acres when the effective price for a covered commodity falls below its reference price.

Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium and short grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

2021 Elections and Enrollment

Producers can elect coverage and enroll in crop-by-crop ARC-County or PLC, or ARC-Individual for the entire farm, for the 2021 crop year. Although election changes for 2021 are optional, enrollment (signed contract) is required for each year of the program. If a producer has a multi-year contract on the farm and makes an election change for 2021, it will be necessary to sign a new contract.

If an election is not submitted by the deadline of March 15, 2021, the election defaults to the current election for crops on the farm from the prior crop year.

For crop years 2022 and 2023, producers will have an opportunity to make new elections during those signups. Farm owners cannot enroll in either program unless they have a share interest in the farm.

2019 Crop Year ARC and PLC Payments

FSA began processing payments last week for 2019 ARC-County (ARC-CO) and PLC on covered commodities that met payment triggers on farms enrolled for the 2019 crop year. In addition to the $5 billion now in process, FSA anticipates it will issue additional payments by the end of November for 2019 commodities covered under ARC-Individual (ARC-IC) and additional commodities that trigger PLC and ARC-CO payments for which rates have not yet been published.

Producers who had 2019 covered commodities enrolled in ARC-CO can visit the ARC and PLC webpage for payment rates applicable to their county and each covered commodity. For farms and covered commodities enrolled in 2019 PLC, the following crops met payment triggers: barley, canola, chickpeas (small and large), corn, dry peas, grain sorghum, lentils, long and medium grain rice, peanuts, seed cotton and wheat.

Oats and soybeans did not meet 2019 PLC payment triggers.

2019 PLC payment rates for the following covered commodities have not been determined: crambe, flaxseed, mustard seed, rapeseed, safflower, sesame seed, sunflower seed and temperate Japonica rice. Payment rates for these commodities will be announced at a later date.

Web-Based Decision Tools
In partnership with USDA, the University of Illinois and Texas A&M University offer web-based decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. Tools include:

- **Gardner-farmdoc Payment Calculator**, the University of Illinois tool that offers farmers the ability to run payment estimate modeling for their farms and counties for ARC-County and PLC.
- **ARC and PLC Decision Tool**, the Texas A&M tool allows producers to analyze payment yield updates and expected payments for 2021. Producers who have used the tool in the past should see their username and much of their farm data already available in the system.

**More Information**

For more information on ARC and PLC, including two online decision tools that assist producers in making enrollment and election decisions specific to their operations, visit the [ARC and PLC webpage](#).

For additional questions and assistance, contact your local USDA Service Center. To locate your local FSA office, visit [farmers.gov/service-locator](#).

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**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.

**USDA Microloans Help Farmers Purchase Farmland and Improve Property**

Farmers can use USDA farm ownership microloans 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.

Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013.

Microloans can also help with farmland 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, contact your local county USDA Service Center or contact the State Office at 706-546-2266 or visit fsa.usda.gov/microloans.

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).