

September 2020



Farm Service Agency **Electronic News Service**

NEWSLETTER

GovDelivery

Indiana State FSA Newsletter

Indiana State Farm Service Agency

5981 Lakeside Blvd.
Indianapolis, IN 46278

Phone: 317-290-3315
Fax: 855-374-4066
www.fsa.usda.gov/in

State Executive Director:
Steven E. Brown
steven.brown2@usda.gov

State Committee Members:
Ken Rulon, Chairperson
Allen Buchanan, Member
Bill Gelfius, Member
Clint Orr, Member

Administrative Officer:
Pauletta Dusterberg
pauletta.dusterberg@usda.gov

Production Adjustment Chief: Acting - Stephanie Alexander
stephanie.alexander@usda.gov

Price Support/Disaster Chief:
Susan Houston
susan.houston@usda.gov

Conservation/Compliance Chief: Stephanie Alexander
stephanie.alexander@usda.gov

AskFSA to Transition to Ask USDA on September 21

AskFSA, the tool for FSA customers to ask questions about FSA programs and services, will transition to Ask USDA on September 21. This is part of USDA's ongoing effort to improve and streamline customer service.

Ask USDA, available at <https://ask.usda.gov> is similar to AskFSA, but provides information for all USDA programs. Moving to Ask USDA will allow all USDA customers to search for and read answers about FSA programs and services in the same location as they read about other USDA programs and services.

Customers will still be able to submit questions if they need more information. In addition to email, Ask USDA offers the ability to ask questions through phone or online chat. This improved customer service approach further builds on Secretary Sonny Perdue's OneUSDA vision and provides the customer a one-stop shopping experience that covers all of USDA's many programs.

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 or any other program payments from FSA, 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.

Farm Loan Chief:

Acting - Mike Priest and Kala
Nicholson-Cline

mike.priest@usda.gov

kala.nicholson-cline@usda.gov

FSA can accept the CCC-941 for 2017, 2018, 2019 and 2020. Unlike the past, you must have the CCC-941 certifying your AGI compliance before any payments can be issued.

Public Affairs/Outreach**Coordinator:**

Angie Stuehrenberg

angie.stuehrenberg@usda.gov

**For local FSA Service Center
contact information [click](#)**

[here](#)

USDA to Provide Additional Direct Assistance to Farmers and Ranchers Impacted by the Coronavirus

USDA announced up to an additional \$14 billion for agricultural producers who continue to face market disruptions and associated costs because of COVID-19. Signup for the Coronavirus Food Assistance Program (CFAP 2) will begin September 21 and run through December 11, 2020.

Background:

The U.S. Department of Agriculture (USDA) will use funds being made available from the Commodity Credit Corporation (CCC) Charter Act and CARES Act to support row crops, livestock, specialty crops, dairy, aquaculture and many additional commodities. USDA has incorporated improvements in CFAP 2 based from stakeholder engagement and public feedback to better meet the needs of impacted farmers and ranchers.

Producers can apply for CFAP 2 at USDA's Farm Service Agency (FSA) county offices. This program provides financial assistance that gives producers the ability to absorb increased marketing costs associated with the COVID-19 pandemic. Producers will be compensated for ongoing market disruptions and assisted with the associated marketing costs.

CFAP 2 payments will be made for three categories of commodities – Price Trigger Commodities, Flat-rate Crops and Sales Commodities.

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. Payments for price trigger crops will be the greater of: 1) the eligible acres multiplied by a payment rate of \$15 per acre; or 2) the eligible acres multiplied by a nationwide crop marketing percentage, multiplied by a crop-specific payment rate, and then by the producer's weighted 2020 Actual Production History (APH) approved yield. If the APH is not available, 85 percent of the 2019 Agriculture Risk Coverage-County Option (ARC-CO) benchmark yield for that crop will be used.

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 Aug. 31, 2020. The milk production for Sept. 1, 2020, to Dec. 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 Apr. 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 Sales commodities include specialty crops; aquaculture; nursery crops and floriculture; other commodities not included in the price trigger and flat-rate categories, including tobacco; 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.

Additional commodities are eligible in CFAP 2 that weren't eligible in the first iteration of the program. If your agricultural operation has been impacted by the pandemic since April 2020, we encourage you to apply for CFAP 2. A complete list of eligible commodities, payment rates and calculations can be found on farmers.gov/cfap.

Eligibility There is a payment limitation of \$250,000 per person or entity for all commodities combined. Applicants who are corporations, limited liability companies, limited partnerships may qualify for additional payment limits when members actively provide personal labor or personal management for the farming operation. In addition, this special payment limitation provision has been expanded to include trusts and estates for both CFAP 1 and 2.

Producers will also have to certify they meet the Adjusted Gross Income limitation of \$900,000 unless at least 75 percent or more of their income is derived from farming, ranching or forestry-related activities. Producers must also be in compliance with Highly Erodible Land and Wetland Conservation provisions.

Applying for Assistance Producers can apply for assistance beginning Sept. 21, 2020. Applications will be accepted through Dec. 11, 2020.

Additional information and application forms can be found at farmers.gov/cfap. Documentation to support the producer's application and certification may be requested. All other eligibility forms, such as those related to adjusted gross income and payment information, can be downloaded from farmers.gov/cfap/apply. For existing FSA customers, including those who participated in CFAP 1, many documents are likely already on file. Producers should check with FSA county office to see if any of the forms need to be updated.

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. This is a recommended first step before a producer engages with the team at the FSA county office.

All USDA Service Centers are open for business, including some that are open to visitors to conduct business in person by appointment only. All Service Center visitors wishing to conduct business with FSA, Natural Resources Conservation Service or any other Service Center agency should call ahead and schedule an appointment. Service Centers that are open for appointments will pre-screen visitors based on health concerns or recent travel, and visitors must adhere to social distancing guidelines. Visitors are also required to wear a face covering during their appointment. Our program delivery staff will be in the office, and they will be working with our producers in the office, by phone and using online tools. More information can be found at farmers.gov/coronavirus.

USDA Stands Up New Team to Better Serve Beginning Farmers and Ranchers

Are you new to farming or ranching? USDA can help you get started or grow your farming operation through a variety of programs and services. From farm loans to crop insurance to conservation programs to disaster assistance, USDA is here to support you and your operation.

USDA recently selected a national coordinator and state-level coordinators, who will focus on better serving beginning farmers and ranchers.

Each state coordinator will receive training and develop tailored beginning farmer outreach plans for their state. Coordinators will help field employees better reach and serve beginning farmers and ranchers and will also be available to assist beginning farmers who need help navigating the variety of resources USDA has to offer.

Visit farmers.gov to find Indiana's coordinator to help you get started today.

FSA Outlines MAL and LDP Policy

The 2018 Farm Bill extends loan authority through 2023 for Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs).

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, rice, peanuts, cotton, wool and honey. MALs provide you with interim financing after harvest to help you meet cash flow needs without having to sell your commodities when market prices are typically at harvest-time lows. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available. Marketing loan provisions and LDPs are not available for sugar and extra-long staple cotton.

FSA is now accepting requests for 2020 MALs and LDPs for all eligible commodities after harvest. Requests for loans and LDPs shall be made on or before the final availability date for the respective commodities.

Commodity certificates are available to loan holders who have outstanding nonrecourse loans for wheat, upland cotton, rice, feed grains, pulse crops (dry peas, lentils, large and small chickpeas), peanuts, wool, soybeans and designated minor oilseeds. These certificates can be purchased at the posted county price (or adjusted world price or national posted price) for the quantity of commodity under loan, and must be immediately exchanged for the collateral, satisfying the loan. MALs redeemed with commodity certificates are not subject to Adjusted Gross Income provisions.

To be considered eligible for an LDP, you must have form [CCC-633EZ, Page 1](#) on file at your local FSA Office before losing beneficial interest in the crop. Pages 2, 3 or 4 of the form must be submitted when payment is requested.

Marketing loan gains (MLGs) and loan deficiency payments (LDPs) are no longer subject to payment limitations, actively engaged in farming and cash-rent tenant rules.

Adjusted Gross Income (AGI) provisions state that if your total applicable three-year average AGI exceeds \$900,000, then you're not eligible to receive an MLG or LDP. You must have a valid CCC-941 on file to earn a market gain of LDP. The AGI does not apply to MALs redeemed with commodity certificate exchange.

For more information and additional eligibility requirements, contact your local USDA service center or visit fsa.usda.gov.

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](#).

Preauthorized Debit Available for Farm Loan Borrowers

USDA's Farm Service Agency (FSA) has implemented pre-authorized debit (PAD) for Farm Loan Program (FLP) borrowers. PAD is a voluntary and alternative method for making weekly, bi-weekly, monthly, quarterly, semi-annual or annual payments on loans.

PAD payments are pre-authorized transactions that allow the National Financial and Accounting Operations Center (NFAOC) to electronically collect loan payments from a customer's account at a financial institution.

PAD may be useful if you use nonfarm income from regular wages or salary to make payments on loans or adjustment offers or for payments from seasonal produce stands. PAD can only be established for future payments.

To request PAD, customers, along with their financial institution, must fill out form RD 3550-28. This form has no expiration date, but a separate form RD 3550-28 must be completed for each loan to which payments are to be applied. A fillable form can be accessed on the USDA Rural Development (RD) website at rd.usda.gov/publications/regulations-guidelines. Click forms and search for "Form 3550-28."

If you have a "filter" on the account at your financial institution, you will need to provide the financial institution with the following information: Origination ID: 1220040804, Agency Name: USDA RD DCFO.

PAD is offered by FSA at no cost. Check with your financial institution to discuss any potential cost. Preauthorized debit has no expiration date, but you can cancel at any time by submitting a written request to your local FSA office. If a preauthorized debit agreement receives three payment rejections within a three-month period, the preauthorized debit agreement will be cancelled by FSA. The payment amount and due date of your loan is not affected by a cancellation of preauthorized debit. You are responsible to ensure your full payment is made by the due date.

For more information about PAD, contact your local USDA Service Center at or visit fsa.usda.gov.

Learn about USDA's Disaster Assistance Programs

When disaster strikes, USDA is here to help. From hurricanes to wildfire, and from flooding to drought, USDA offers technical and financial assistance to help farmers and livestock producers recover.

To better assist producers, USDA has published a new brochure, [Disaster Assistance Programs At A Glance](#). The brochure is a quick reference guide to available Farm Service Agency, Natural Resources Conservation Service and Risk Management Agency disaster assistance programs.

The brochure gives a short description of each program and lets you quickly identify which program(s) are available for each natural disaster event.

Also, on farmers.gov, you can learn about USDA disaster assistance programs that might be right for you. With the [Disaster Assistance Discovery Tool](#), you answer five questions about the natural disasters that have impacted your operation to find out which USDA programs offer assistance.

The Disaster Assistance Programs At A Glance brochure can be [downloaded here](#) and is located on farmers.gov/recover. To learn how to apply for disaster programs, contact your local USDA Service Center at farmers.gov/service-center-locator.

Conservation Planning Helps Improve Farm Productivity

Whether you rent or own your land, a conservation plan is critical to maintain and improve farm productivity. Plans of any kind are important as they set goals and outline how to reach them. Conservation plans are roadmaps for improving your operation while conserving natural resources. They provide proven strategies that landowners can use to solve identified natural resource concerns and take advantage of conservation opportunities.

USDA's Natural Resources Conservation Service (NRCS) can help you develop your farm's conservation plan. This technical assistance from NRCS is free, and it can help you reduce soil loss from erosion, solve issues with soil, air and water quality, reduce potential damage from excess water and drought, enhance the quality of wildlife habitat, address waste management concerns, and improve the long-term sustainability of your natural resources.

How does conservation planning work? You'll meet with a planner from NRCS for a science-based evaluation of your natural resource concerns and opportunities on your land. The NRCS staff member, often a district conservationist or conservation planning technician, then analyzes the findings and recommends the best strategies to address your problems and achieve valuable opportunities.

If you're interested in conservation planning, contact your local NRCS staff by visiting: <https://offices.sc.egov.usda.gov/locator/app>.

USDA Announces Improvements to the Livestock Gross Margin Insurance Program for Cattle and Swine

USDA's Risk Management Agency (RMA) announced changes to the Livestock Gross Margin (LGM) insurance program for cattle and swine beginning in the 2021 crop year. Changes include adding premium subsidies to assist producers and moving premium due dates to the end of the endorsement period for cattle.

Prior to this change, LGM-Cattle and Swine did not have premium subsidies. Now, subsidies have been added and are based on the deductible selected by you. For LGM-Cattle, the subsidy will range from 18 percent with 0 deductible up to 50 percent with a deductible of \$70 or greater. For LGM-Swine, the subsidy will range from 18 percent with 0 deductible up to 50 percent with a deductible of \$12 or greater.

Livestock insurance is sold and delivered solely through private insurance agents. A list of insurance agents is available online using the RMA [Agent Locator](#). Learn more about livestock insurance and the modern farm safety net at rma.usda.gov.

Dates to Remember

September 30 – Final Date to Update PLC Yields

September 30 – Final Date for Signatures and Leases for 2020 ARCPLC Program Contracts

September 30 – Final Date to Complete and Submit Receipts for Fiscal Year 2020 Mid-Contract Management Activities on CRP Acreage

September 30 – Final Date to Report 2021 Value Loss and Controlled Environment Crops (Christmas tree, Ginseng and Flower) acreages for NAP Coverage

September 30 - Deadline to Purchase 2021 NAP Coverage for Garlic, Wheat, Barley, Rye and Mint

October 12 – Offices Closed – Columbus Day

October 12 – Signup Begins for 2021 Dairy Margin Coverage

October 31 – Application Deadline for OCCSP Eligible Certification Expenses (Paid October 1, 2019 thru September 30, 2020)

November 2 – County Committee Election Ballots Mailed to Eligible Voters

November 11 – Offices Closed – Veterans Day

November 15 – Final Date to Purchase 2021 NAP Coverage for Perennial Grazing and Forage Crops (Alfalfa, Grass, Mixed Forages, Clover, etc)

Ongoing - Signup for Continuous CRP

Ongoing - Signup for Whip+ Disaster Assistance

Continuous - Signup for Local County Office FSA Text Alerts

September 2020 Interest Rates

Farm Operating Loans (Direct)	1.250%
Farm Ownership Loans (Direct)	2.250%
Farm Ownership Loans (Direct, Joint Financing)	2.5%
Farm Ownership Loans (Direct Down Payment, Beginning Farmer or Rancher)	1.5%
Emergency Loans	2.250%
Farm Storage Facility Loans (3 Years)	0.125%
Farm Storage Facility Loans (5 Years)	0.250%
Farm Storage Facility Loans (7 Years)	0.500%
Farm Storage Facility Loans (10 Years)	0.625%
Farm Storage Facility Loans (12 Years)	0.750%
Commodity Loans	1.125%

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).
