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Farm Service Agency Electronic News Service

NEWSLETTER

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Iowa FSA Newsletter

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USDA Announces Oct. 30 Deadline to Submit Wildfire, Hurricane Disaster Assistance Applications

The U.S. Department of Agriculture (USDA) today announced Friday, Oct. 30, 2020, as the deadline to submit applications for the Wildfire and Hurricane Indemnity Program – Plus (WHIP+) for 2018 and 2019 losses. USDA did not originally specify a deadline when the program was announced.

WHIP+ compensates producers for losses due to hurricanes, floods, snowstorms, tornadoes, typhoons, volcanic activity, drought, excessive moisture, and wildfires occurring in calendar years 2018 and 2019. Drought and excessive moisture were added as eligible losses for the program in March 2020. To date, FSA has received more than 133,000 applications for WHIP+ disaster assistance and paid out nearly \$1.4 billion in WHIP+ benefits.

Next week, FSA will launch a new tool on the <u>farmers.gov WHIP+ webpage</u> to help producers understand eligibility for the program and whether they had possible losses in 2018 and 2019. The tool will also allow producers an opportunity to provide information for FSA staff to reach out to them.

FSA will announce soon the details for producers who experienced quality loss from 2018 and 2019 natural disaster events authorized in appropriations legislation. There will be a separate signup period for producers reporting quality loss.

For more information or application assistance, visit <u>farmers.gov WHIP+ webpage</u>, or contact your local USDA Service Center. To locate your local FSA office, visit <u>farmers.gov/service-center-locator</u>.

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 the 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 required to wear a face covering during their appointment. Field work will continue with appropriate social distancing. Our program delivery staff will be in the office, and they will be working with our producers in office, by phone, and using online tools. More information can be found at farmers.gov/coronavirus.

Dairy Margin Coverage Program Enrollment for 2021 Underway

The U.S. Department of Agriculture (USDA) began accepting applications for the <u>Dairy Margin</u> <u>Coverage</u> (DMC) program on October 13, 2020 for 2021 enrollment.

Signup runs through Dec. 11, 2020. DMC is a voluntary risk management program that offers protection to dairy producers when the difference between the all-milk price and the average feed price (the margin) falls below a certain dollar amount selected by the producer. DMC payments triggered for seven months in 2019 and three months so far in 2020. More than 23,000 operations enrolled in DMC in 2019, and more than 13,000 in 2020.

To determine the appropriate level of coverage for a specific dairy operation, producers can utilize the recently updated online dairy decision tool. The <u>decision tool</u> is designed to assist producers with calculating total premium costs and administrative fees associated with participation in DMC. An <u>informational video</u> is available, too.

Improvements to the decision tool, made in cooperation with representatives from the University of Minnesota and University of Wisconsin, include historical analysis that illustrates what DMC indemnity payments might have been had the program been available over the previous two decades. The analysis indicates that over the course of time, DMC payments made to producers exceed premiums paid. These decision tool enhancements provide a more comprehensive decision support experience for producers considering DMC.

In addition to DMC, USDA offers a variety of programs that have helped dairy producers, including insurance, disaster assistance, and conservation programs. Most recently, the Coronavirus Food Assistance Program 1 provided \$1.75 billion in direct relief to dairy producers who faced price declines and additional marketing costs due to COVID-19 in early 2020. Now, signup is underway for the Coronavirus Food Assistance Program 2, which provides another round of assistance for dairy producers and many other eligible producers.

For more information, visit <u>farmers.gov DMC webpage</u>, or contact your local USDA Service Center. To locate your local FSA office, visit <u>farmers.gov/service-center-locator</u>.

FSA Encourages Farmers and Ranchers to Vote in County Committee Elections

The 2020 Farm Service Agency County Committee Elections will begin on Nov. 2, 2020, when ballots are mailed to eligible voters. The deadline to return ballots to local FSA offices, or to be postmarked, is Dec. 7, 2020.

County committee members are an important component of the operations of FSA and provide a link between the agricultural community and USDA. Farmers and ranchers elected to county committees help deliver FSA programs at the local level, applying their knowledge and judgment to make decisions on commodity price support programs, conservation programs, incentive indemnity and disaster programs for some commodities, emergency programs and eligibility. FSA committees operate within official regulations designed to carry out federal laws.

To be an eligible voter, farmers and ranchers must participate or cooperate in an FSA program. A person who is not of legal voting age but supervises and conducts the farming operations of an entire farm, may also be eligible to vote.

Newly elected committee members will take office Jan. 1, 2021.

More information on county committees, can be found on the FSA website at fsa.usda.gov/elections or at your local USDA Service Center.

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

More than \$5 Billion in Payments Now Issuing to Producers Enrolled for 2019

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.

Coronavirus Food Assistance Program 2

CFAP 1 Participants Encouraged to Apply for Additional Assistance

Signup for the Coronavirus Food Assistance Program 2 (CFAP 2) began on Sept. 21, 2020 and will continue through Dec. 11, 2020. CFAP 2 provides eligible producers with direct financial assistance due to market disruptions and associated costs because of the COVID-19 pandemic. Check out a brief video about the program.

CFAP 2 is a separate program from the first round of the Coronavirus Food Assistance Program, now referred to as CFAP 1. Farmers and ranchers who participated in CFAP 1 will not be automatically enrolled and must complete a new application for CFAP 2. Details on how to apply can be found on farmers.gov/cfap/apply.

CFAP 2 Eligible Commodities Finder

Many more commodities are eligible for CFAP 2 than CFAP 1. Interested in finding the Coronavirus Food Assistance Program 2 payment rates for the eligible commodities you grow or raise? USDA's new, easy-to-use CFAP 2 Eligible Commodities Finder makes finding payment rates specific to your operation simple. From yam to alpaca farmers – and everyone in between – the payment rate information you need is just a few clicks away. Try it today on your desktop, tablet, or mobile device.

Call Center

A call center is available for producers who would like additional one-on-one support with the CFAP 2 application process. Please call 877-508-8364 to speak directly with a USDA employee ready to offer assistance. The call center can provide service to non-English speaking customers. Customers will select 1 for English and 2 to speak with a Spanish speaking employee. For other languages, customers select 1 and indicate their language to the call center staff.

USDA Issues CRP Payments

The U.S. Department of Agriculture (USDA) is issuing \$1.68 billion in payments to agricultural producers and landowners for the 21.9 million acres enrolled in the Conservation Reserve Program (CRP), which 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 the nation's environment and economy.

Signed into law in 1985, CRP is one of the largest private-lands conservation programs in the United States. It was originally intended to primarily 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 December. 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 percent, 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 <u>Agriculture Innovation Agenda</u> and its goal of reducing the environmental footprint of U.S. agriculture by half by 2050. Earlier this year, Secretary Perdue announced the department-wide initiative to align resources, programs, and research to position American agriculture to better meet future global demands.

CRP participants with contracts effective beginning on October 1, 2020, will receive their first annual rental payment in October 2021.

For more information on CRP, visit <u>fsa.usda.gov</u> or contact your <u>local FSA county office</u>.

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 <u>farmers.gov</u> 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 <u>farmers.gov/sign-in</u>.

USDA Service Centers are open for business by phone appointment only, and field work will continue with appropriate social distancing. While program delivery staff will continue to come into the office, they will be working with producers by phone and using online tools whenever possible. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service or any other Service Center agency are required to call their Service Center to schedule a phone appointment. More information can be found at farmers.gov/coronavirus.

USDA 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).