

## In this Issue:

- [Applying for Youth Loans](#)
- [Applying for FSA Guaranteed Loans](#)
- [Obtaining Payments Due to Deceased Producers](#)
- [Report Banking Changes to FSA](#)
- [Linkage Requirements for Payments Received Under WHIP+ and/or QLA](#)
- [Linkage Requirements for Payments Received Under Phase 1 ERP](#)
- [FSA Can Help with On-Farm Propane Storage](#)
- [Unauthorized Disposition of Grain Results in Financial Penalties](#)
- [Keeping Livestock Inventory Records](#)
- [FSA Offers Safety Net Programs for Honeybee Producers](#)
- [USDA Announces First Three Lenders for Heirs' Property Relending Program](#)
- [USDA Opens People's Garden Initiative to Gardens Nationwide](#)
- [Biden-Harris Administration Announces Historic Investment in Partnerships for 70 Climate-Smart Commodities and Rural Projects](#)

## State Executive Director Comments



As the summer months wrap up, so has our Great Minnesota Get-Together. It was fantastic to get to the Minnesota State Fair this year to see all the agricultural diversity our state has to offer. Congratulations to all of you, including many in our FSA community, who competed at the Fair this year!

Farmers will soon have the opportunity to be represented in the nation's only comprehensive and impartial agriculture data for every state, county and territory. The 2022 Census of Agriculture will be mailed to millions of agriculture producers across the 50 states and Puerto Rico this fall. The 2022 Census of Agriculture will be mailed in phases, starting with an invitation to respond online in November, followed by paper questionnaires in December. Farm operations of all sizes, urban and rural, which produced and sold, or normally would have sold, \$1,000 or more of agricultural produce in 2022 are included in the ag census. Please respond if you receive a questionnaire. Accurate representation of all agriculture through this data is critical to policymakers and administrators.

Earlier this summer, USDA's National Agricultural Statistics Service (NASS) mailed the Conservation Practice Adoption Motivations Survey to a number of farmers and ranchers throughout the Midwest Region. There is still time to respond to the survey as NASS will continue collecting responses over the coming weeks. Survey recipients may respond securely online at [www.agcounts.usda.gov](http://www.agcounts.usda.gov), by phone or mail. A representative for NASS may call producers to set up an interview to assist in the completion of the questionnaire. Gathering information about farmers' and ranchers' motivation for and adoption of conservation practices allows USDA to understand the use and awareness of its programs, so please consider responding to the survey if you were one of the producers that received it. All information reported by individuals will be kept confidential.

On September 13, 2022, Minnesota FSA and the Minnesota Department of Agriculture (MDA) held a joint organic programs webinar. Staff from FSA and MDA provided an overview of both the Organic Certification Cost Share Program (OCCSP) and the Organic and Transitional Education and Certification Program (OTECP). Information was also provided on how to apply for these cost share opportunities. Customers who were unable to attend and who are interested in learning more about OCCSP and OTECP can view the recorded webinar at [this link](#).

We're feeling the fall temperatures across the state, and as harvest continues for our crop farmers, please make sure to go over safety considerations both on your farm and on the road. September 18-24 is National Farm Safety Week and Health Week, and there are some great resources from the [Upper Midwest Agricultural Safety and Health Center](#) that can help protect you and your communities from accidents on the farm.

Respectfully,

Whitney Place, State Executive Director

## Applying for Youth Loans

The Farm Service Agency (FSA) makes loans to youth to establish and operate agricultural income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5,000.

#### **Youth Loan Eligibility Requirements:**

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the youth loan applicant, along with providing adequate supervision.

For help preparing the application forms, contact your local USDA Service Center or visit [fsa.usda.gov](http://fsa.usda.gov).

## **Applying for FSA Guaranteed Loans**

FSA guaranteed loans allow lenders to provide agricultural credit to farmers who do not meet the lender's normal underwriting criteria. Farmers and ranchers apply for a guaranteed loan through a lender, and the lender arranges for the guarantee. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. Guaranteed loans can be used for both farm ownership and operating purposes.



Guaranteed farm ownership loans can be used to purchase farmland, construct or repair buildings, develop farmland to promote soil and water conservation or to refinance debt.

Guaranteed operating loans can be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance and other operating expenses.

FSA can guarantee farm ownership and operating loans up to \$1,825,000. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

For more information on guaranteed loans, contact your local USDA Service Center or visit [fsa.usda.gov](http://fsa.usda.gov).

## Obtaining Payments Due to Deceased Producers

In order to claim a Farm Service Agency (FSA) payment on behalf of a deceased producer, all program conditions for the payment must have been met before the applicable producer's date of death.

If a producer earned a FSA payment prior to his or her death, the following is the order of precedence for the representatives of the producer:

- administrator or executor of the estate
- the surviving spouse
- surviving sons and daughters, including adopted children
- surviving father and mother
- surviving brothers and sisters
- heirs of the deceased person who would be entitled to payment according to the State law

For FSA to release the payment, the legal representative of the deceased producer must file a form FSA-325 to claim the payment for themselves or an estate. The county office will verify that the application, contract, loan agreement, or other similar form requesting payment issuance, was signed by the applicable deadline by the deceased or a person legally authorized to act on their behalf at that time of application.

If the application, contract or loan agreement form was signed by someone other than the deceased participant, FSA will determine whether the person submitting the form has the legal authority to submit the form.

Payments will be issued to the respective representative's name using the deceased program participant's tax identification number. Payments made to representatives are subject to offset regulations for debts owed by the deceased.

FSA is not responsible for advising persons in obtaining legal advice on how to obtain program benefits that may be due to a participant who has died, disappeared or who has been declared incompetent.

## Report Banking Changes to FSA

Farm Service Agency (FSA) program payments are issued electronically into your bank account. In order to receive timely payments, you need to notify your FSA servicing office if you close your account or if your bank information is changed for any reason (such as your financial institution merging or being purchased). Payments can be delayed if



FSA is not notified of changes to account and bank routing numbers.

For some programs, payments are not made until the following year. For example, payments for crop year 2019 through the Agriculture Risk Coverage and Price Loss Coverage program aren't paid until 2020. If the bank account was closed due to the death of an individual or dissolution of an entity or partnership before the payment was issued, please notify your local FSA office as soon as possible to claim your payment.

## Linkage Requirements for Payments Received Under WHIP+ and/or QLA

If you received a payment under the Wildfires and Hurricanes Indemnity Program+ (WHIP+) or the Quality Loss Adjustment Program (QLA) for crop production and/or quality losses occurring in 2018, 2019, or 2020 crop years, you are required to meet linkage requirements by obtaining federal crop insurance or Non-Insured Crop Disaster Assistance Program (NAP) coverage at the 60/100 level, or higher, for both the 2022 and 2023 crop years.

When applying for WHIP+ or QLA, form FSA-895 (Crop Insurance and/or NAP Coverage Agreement) was submitted acknowledging the requirement to obtain federal crop insurance, if available, or NAP coverage if federal crop insurance is not available. The coverage requirement is applicable to the physical location county of the crop that received WHIP+ and/or QLA benefits.

Producers should not delay contacting their federal crop insurance agent or local county FSA Office to inquire about coverage options, as **failure to obtain the applicable coverage by the sales/application closing date will result in the required refund of WHIP+ benefits received on the applicable crop, plus interest.** You can determine if crops are eligible for federal crop insurance or NAP by [visiting the RMA website](#).

For more information, contact your local USDA Service Center or visit [fsa.usda.gov](https://fsa.usda.gov).

## Linkage Requirements for Payments Received Under Phase 1 ERP



If you received a payment under the Emergency Relief Program (ERP) for crop production losses occurring in 2020, 2021, or 2022 calendar years due to qualifying events occurring in calendar years 2020 or 2021, you are required to purchase crop insurance or NAP, as may be applicable for the crop, at a coverage level equal to or greater than 60 percent for insurable crops (60/100); or at the catastrophic level (50/55) or higher for NAP crops, for the next two available crop years. You can determine if crops are eligible for federal crop insurance or NAP by [visiting the RMA website](#).

The next two available crop years are determined from the date you received your ERP payment. Example: Producer G received ERP benefits for 2021 rye losses and received an ERP payment in June of 2022. The sales closing date to purchase insurance for the 2023 crop year is September 30, 2022. Based on the date Producer G received ERP benefits, and the sales closing date for the crop, the next 2 available crop years for Producer G are 2023 and 2024.

The coverage requirement is applicable to the crop and the specific physical location of that crop. Please refer to your ERP application (FSA-520) to identify crops for which you received an ERP payment. Questions about physical location can be directed to your local county FSA office.

**Failure to meet the linkage requirement will require you to refund ERP payments received on the applicable crop(s), plus interest.**

## **FSA Can Help with On-Farm Propane Storage**

Winter months in Minnesota can be long and cold, and for several years, farmers have faced propane storage shortages. FSA's [Farm Storage Facility Loan \(FSFL\) program](#) provides funding for on-farm liquified petroleum tanks.

FSFL low-interest financing can be used to build or upgrade storage facilities and to purchase portable (new or used) structures, equipment, storage and handling trucks. Liquified petroleum tanks are covered for eligible commodities for the use of fuel for grain dryer equipment.

Loans up to \$50,000 can be secured by a promissory note/security agreement, while loans exceeding \$100,000 require additional security.

You do not need to demonstrate the lack of commercial credit availability to apply. The loans are designed to assist a diverse range of farming operations, including conventional operations, small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

To learn more about FSFLs and how these loans can help with your on-site propane tank storage needs, contact your local USDA Service Center or visit [fsa.usda.gov](https://fsa.usda.gov).

## **Unauthorized Disposition of Grain Results in Financial Penalties**

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and your name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.

## Keeping Livestock Inventory Records

Livestock inventory records are necessary in the event of a natural disaster, so remember to keep them updated.

When disasters strike, the USDA Farm Service Agency (FSA) can help you if you've suffered excessive livestock death losses and grazing or feed losses due to eligible natural disasters.

To participate in livestock disaster assistance programs, you'll be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to your local FSA office within 30 calendar days of when the loss of livestock is apparent. For grazing or feed losses, you must submit a notice of loss to your local FSA office within 30 calendar days of when the loss is apparent and should maintain documentation and receipts.

You should record all pertinent information regarding livestock inventory records including:

- Documentation of the number, kind, type, and weight range of livestock
- Beginning inventory supported by birth recordings or purchase receipts.

For more information on documentation requirements, contact your local USDA Service Center or visit [fsa.usda.gov](https://fsa.usda.gov).



## FSA Offers Safety Net Programs for Honeybee Producers

The Farm Service Agency (FSA) administers two programs that have specific safety net benefits for producers of honeybees and honey. The Noninsured Crop Disaster Assistance Program (NAP) and the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) assist producers when disasters impact honey production or damage or destroy colonies, hives or honeybee feed.

NAP is designed to reduce financial losses when natural disasters result in lower yields or crop losses, including honey. NAP coverage is equivalent to catastrophic insurance, meaning it covers up to 50 percent of a producer's normal yield (must have at least a 50 percent loss) at 55 percent of the average market price. The 2018 Farm Bill reinstates higher levels of coverage, from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price. Producers of organics and crops marketed directly to consumers also may exercise the "buy-up" option to obtain NAP coverage of 100 percent of the average market price at the coverage levels of between 50 and 65 percent of expected production.

The NAP service fee is the lesser of \$325 per crop or \$825 per producer per administrative county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties.

You must apply for NAP coverage by Dec. 1 prior to the year for which you're seeking coverage.

ELAP covers colony losses, honeybee hive losses (the physical structure) and honeybee feed losses in instances where the colony, hive or feed has been destroyed by a natural disaster or, in the case of colony losses, because of Colony Collapse Disorder. Colony losses must be in excess of normal mortality.

Both the NAP and ELAP programs require you to report the number of colonies you have in production to FSA by Jan. 2, 20[XX]. You must notify FSA within 30 calendar days of changes in the total number of colonies or when honeybees are moved to another county.

For both programs, you must notify FSA within 15 calendar days of when a loss occurs or from when the loss is apparent.

To learn more about programs for honey and honeybee producers, contact your local USDA Service Center or visit [fsa.usda.gov](http://fsa.usda.gov).

## USDA Announces First Three Lenders for Heirs' Property Relending Program

*Additional Lenders Invited to Apply to Program*

USDA is announcing that Shared Capital Cooperative, Akiptan, Inc. and the Cherokee Nation Economic Development Trust Authority (CNEDTA), have been approved or conditionally approved as intermediary lenders through the Heirs' Property Relending Program (HPRP).

Once HPRP loans with these lenders close, these lenders will help agricultural producers and landowners resolve heirs' land ownership and succession issues. Additionally, USDA encourages more intermediary lenders, including cooperatives, credit unions and nonprofit organizations to apply. More information is at [farmers.gov/heirs/relending](http://farmers.gov/heirs/relending).



Heirs may apply directly to the intermediary lenders for loans to resolve land ownership and succession issues. Learn more: [USDA Announces First Three Lenders for Heirs' Property Relending Program](#)

## USDA Opens People's Garden Initiative to Gardens Nationwide



USDA is expanding its People's Garden Initiative to include eligible gardens nationwide. School gardens, community gardens, urban farms, and small-scale agriculture projects in rural, suburban and urban areas can be recognized as a "People's Garden" if they register on the USDA website and meet criteria including benefitting the community, working

collaboratively, incorporating conservation practices and educating the public. Affiliate People's Garden locations will be indicated on a map on the USDA website, featured in USDA communications, and provided with a [People's Garden](#) sign.

## **Biden-Harris Administration Announces Historic Investment in Partnerships for 70 Climate-Smart Commodities and Rural Projects**

*USDA to Triple Commitment with Initial \$2.8 Billion Investment, with Additional Projects to Come*



Agriculture Secretary Tom Vilsack announced today that the Biden-Harris Administration through the U.S. Department of Agriculture is investing up to \$2.8 billion in 70 selected projects under the first pool of the Partnerships for Climate-Smart Commodities funding opportunity, with projects from the second funding pool to be announced later this year. Ultimately, USDA's anticipated investment will triple to more than \$3 billion in pilots that will create market opportunities for American commodities produced using climate-smart production practices. These initial projects will expand markets for climate-smart commodities, leverage the greenhouse gas benefits of climate-smart commodity production and provide direct, meaningful benefits to production agriculture, including for small and underserved producers. Applicants submitted more than 450 project proposals in this first funding pool, and the strength of the projects identified led USDA to increase its investment in this opportunity from the initial \$1 billion Vilsack announced earlier this year.

Learn More: [USDA Press Release](#)

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