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United States Department of Agriculture



# Farm Service Agency Electronic News Service

# NEWSLETTER

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# **New Mexico FSA Newsletter**

#### New Mexico Farm Service Agency

100 Sun Ave. NE Albuquerque, NM 87109

Phone: 505-761-4900 Fax: 877-450-0860

#### www.fsa.usda.gov/nm

State Executive Director: Michael S. White

**Executive Officer:** Brenda Archuleta

Farm Loan Chief: LeAnn Gibbs

**District Directors:** Andrew Flores Oscar Rivera Rhonda Mitchell

#### State Committee:

Chair, Alisa Ogden Vice Chair, Matthew Lansford Member, John M. Romero

## USDA Offers Flood Impacted New Mexico Farmers and Ranchers Immediate Disaster Assistance

Farm Service Agency Stands Ready to Assist Agricultural Producers Effected by Heavy Rains and Runoff.

New Mexico Farm Service Agency (FSA) reminds farmers and ranchers across the state of federal farm program benefits that may be available to help eligible producers recover from heavy rains and flooding.

FSA offers disaster assistance and low-interest loan programs to assist agricultural producers in their recovery efforts following floods or similar qualifying natural disasters. Available programs and loans include:

- Non-Insured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occur due to natural disasters (includes native grass for grazing). Eligible producers must have purchased NAP coverage for 2019 crops.
- Livestock Indemnity Program (LIP) offers payments to eligible producers for livestock death losses in excess of normal mortality due to adverse weather. Eligible losses may include those determined by FSA to have been caused by hurricanes,

Member, Dustin K. Johnson Member, Monte Anderson

To find contact information for your local office go to www.fsa.usda.gov/NM floods, blizzards, wildfires, tropical storms, tornados lightening, extreme heat, and extreme cold. Producers will be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to their local FSA office within 30 calendar days of when the loss of livestock is apparent.

- **Tree Assistance Program (TAP)** provides assistance to eligible orchardists and nursery tree growers for qualifying tree, shrub and vine losses due to natural disaster.
- Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) - provides emergency relief for losses due to feed or water shortages, disease, adverse weather, or other conditions, which are not adequately addressed by other disaster programs. ELAP covers physically damaged or destroyed livestock feed that was purchased, or mechanically harvested forage or feedstuffs intended for use as feed for the *producer's* eligible livestock. In order to be considered eligible, harvested forage must be baled; forage that is only cut, raked or windrowed is not eligible. Producers must submit a notice of loss to their local FSA office within 30 calendar days of when the loss is apparent. For beekeepers, ELAP covers beehive losses (the physical structure) in instances where the hive has been destroyed by a natural disaster including flooding, high winds and tornadoes.
- ELAP also covers up to 150 lost grazing days in instances when a producer has been forced to remove livestock from a grazing pasture due to floodwaters.
- Emergency Loan Program Available to producers with agriculture operations located in a county under a primary or contiguous Secretarial Disaster designation. These low interest loans help producers recover from production and physical losses due to drought, flooding.
- Emergency Conservation Program (ECP) provides emergency funding for farmers and ranchers to rehabilitate land severely damaged by natural disasters; includes fence loss.
- **HayNet** is an Internet-based Hay and Grazing Net Ad Service allowing farmers and ranchers to share 'Need Hay' ads and 'Have Hay' ads online. Farmers also can use another feature to post advertisements for grazing land, specifically ads announcing the availability of grazing land or ads requesting a need for land to graze. www.fsa.usda.gov/haynet.

To establish or retain FSA program eligibility, farmers and ranchers must report prevented planting and failed acres (crops and grasses). Prevented planting acreage must be reported on form *FSA-576, Notice of Loss,* no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA).

For more information on disaster assistance programs and loans visit <u>www.fsa.usda.gov/</u> or contact your local FSA Office. To find your local FSA county office, visit <u>http://offices.usda.gov</u>.

#### How to Document Flood Losses

Producers who suffered excessive livestock death losses and grazing or feed losses due to recent floods may be eligible for disaster assistance programs through the USDA Farm Service Agency (FSA).

The Livestock Indemnity Program (LIP) offers payments to eligible producers for livestock death losses in excess of normal mortality due to adverse weather and the Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) provides emergency relief for losses due to feed or water shortages, disease, adverse weather, or other conditions, which are not adequately addressed by other disaster programs.

To participate in LIP, producers will be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to their local FSA office within 30 calendar days of when the loss of livestock is apparent. To participate in ELAP, producers must submit a notice of loss to their local FSA office within 30 calendar days of when the loss is apparent and should maintain documentation and receipts.

Producers should record all pertinent information regarding livestock losses due to the eligible adverse weather or loss condition, including:

- Documentation of the number, kind, type, and weight range of livestock that have died, supplemented if possible by photographs or video records of ownership and losses;
- Rendering truck receipts by kind, type and weight important to document prior to disposal;
- Beginning inventory supported by birth recordings or purchase receipts;
- Documentation from Animal Plant Health Inspection Service, Department of Natural Resources, or other sources to substantiate eligible death losses due to an eligible loss condition;
- Documentation that livestock were removed from grazing pastures due to an eligible adverse weather or loss condition;
- Costs of transporting livestock feed to eligible livestock, such as receipts for equipment rental fees for hay lifts and snow removal;
- Feed purchase receipts if feed supplies or grazing pastures are destroyed;

For more information on these programs and documentation requirements, visit <u>www.fsa.usda.gov/disaster</u> or contact your local FSA office.

# New Farmers.gov Feature Helps Producers Find Farm Loans that Fit Their Operation

A new online tool can help farmers and ranchers find information on U.S. Department of Agriculture (USDA) farm loans that may best fit their operations. USDA has launched the new *Farm Loan Discovery Tool* as the newest feature on farmers.gov, the Department's self-service website for farmers.

USDA's Farm Service Agency (FSA) offers a variety of loan options to help farmers finance their operations. From buying land to financing the purchase of equipment, FSA loans can help. Compared to this time last year, FSA has seen an 18 percent increase in the amount it has obligated for direct farm ownership loans, and through the 2018 Farm Bill, has <u>increased the limits</u> for several loan products.

USDA conducted field research in eight states, gathering input from farmers and FSA farm loan staff to better understand their needs and challenges.

#### How the Tool Works

Farmers who are looking for financing options to operate a farm or buy land can answer a few simple questions about what they are looking to fund and how much money they need to borrow.

After submitting their answers, farmers will be provided information on farm loans that best fit their specific needs. The loan application and additional resources also will be provided.

Farmers can download application quick guides that outline what to expect from preparing an application to receiving a loan decision. There are four guides that cover loans to individuals, entities, and youth, as well as information on microloans. The guides include general eligibility requirements and a list of required forms and documentation for each type of loan. These guides can help farmers prepare before their first USDA service center visit with a loan officer.

Farmers can access the *Farm Loan Discovery Tool* by visiting <u>farmers.gov/fund</u> and clicking the "Start" button. Follow the prompts and answer five simple questions to receive loan information that is applicable to your agricultural operation. The tool is built to run on any modern browser like Chrome, Edge, Firefox, or the Safari browser, and is fully functional on mobile devices. It does not work in Internet Explorer.

#### About Farmers.gov

In 2018, USDA unveiled farmers.gov, a dynamic, mobile-friendly public website combined with an authenticated portal where farmers will be able to apply for programs, process transactions, and manage accounts.

The *Farm Loan Discovery Tool* is one of many resources on farmers.gov to help connect farmers to information that can help their operations. Earlier this year, USDA launched the *My Financial Information* feature, which enables farmers to view their loan information, history, payments, and alerts by logging into the website.

USDA is building farmers.gov for farmers, by farmers. In addition to the interactive farm loan features, the site also offers a Disaster Assistance Discovery Tool. Farmers can visit <u>farmers.gov/recover/disaster-assistance-tool#step-1</u> to find disaster assistance programs that can help their operation recover from natural disasters.

With feedback from customers and field employees who serve those customers, farmers.gov delivers farmer-focused features through an agile, iterative process to deliver the greatest immediate value to America's agricultural producers – helping farmers and ranchers do right, and feed everyone.

For more information or to locate your USDA Service Center, visit farmers.gov.

### **USDA Announces Signup for Conservation Reserve Program**

USDA opened signup for the Conservation Reserve Program (CRP) on December 9, 2019. The deadline for agricultural producers to sign up for general CRP is February 28, 2020, while signup for continuous CRP is ongoing.

Farmers and ranchers who enroll in CRP receive a yearly rental payment for voluntarily establishing long-term, resource-conserving plant species, such as approved grasses or trees (known as "covers") to control soil erosion, improve water quality and develop wildlife habitat on marginally productive agricultural lands.

CRP has 22 million acres enrolled, but the 2018 Farm Bill lifted the cap to 27 million acres. This means farmers and ranchers have a chance to enroll in CRP for the first time or continue their participation for another term.

By enrolling in CRP, producers are improving water quality, reducing soil erosion, and restoring habitat for wildlife. This in turn spurs hunting, fishing, recreation, tourism, and other economic development across rural America.

#### **CRP Enrollment Options**

General Signup

CRP general signup will be held annually. The competitive general signup will now include increased opportunities for enrollment of wildlife habitat through the State Acres For Wildlife Enhancement (SAFE) initiative.

#### Continuous Signup

While some practices under SAFE will remain available through continuous signup, CRP continuous signup will focus primarily on water quality with the Clean Lakes, Estuaries, and Rivers (CLEAR) Initiative. The 2018 Farm Bill prioritizes water quality practices such as contour grass strips, filter strips, riparian buffers, wetlands and a new prairie strip.

USDA will also be working with Conservation Reserve Enhancement Program (CREP) partners to relaunch CREP continuous options in each state under new statutory provisions. CREP will continue to target high-priority local, state or regional conservation concerns.

#### Grasslands Signups

CRP Grasslands signup helps landowners and operators protect grassland, including rangeland, and pastureland and certain other lands while maintaining the areas as grazing lands. A separate CRP Grasslands signup will be offered each year following general signup.

#### Pilot Programs

Later in 2020, (FSA will roll out pilot programs within CRP: CLEAR 30, which allows contracts expiring with CLEAR practices to be reenrolled in 30-year contracts and in the Soil Health and Income Protection Program (SHIPP) in the prairie pothole region. More information on these programs will be announced in the new year.

#### Land Transition

The CRP Transition Incentives Program (TIP) is an option for producers interested in transitioning land to a beginning farmer or rancher or a member of a socially disadvantaged group to return land to production for sustainable grazing or crop production. CRP contract holders no longer need to be a retired or retiring owner or operator to transition their land. TIP participants may have a lease less than five years with an option to purchase, and they have two years before the end of the CRP contract to make conservation and land improvements.

#### **Previously Expired Land**

Land enrolled in CRP under a 15-year contract that expired in September 2017, 2018 or 2019, may be eligible for enrollment if there was no opportunity for re-enrollment and the practice under the expired contract has been maintained.

#### **CRP Rates and Payments**

FSA recently posted updated soil rental rates for CRP. County average rates are posted on the <u>CRP Statistics webpage</u>. Soil rental rates are statutorily prorated at 90 percent for continuous signup and 85 percent for general signup. The rental rates will be assessed annually. Under continuous signup, producers also receive incentives, including a signup incentive payment and a practice incentive payment.

To enroll in CRP, contact your local FSA county office or visit <u>fsa.usda.gov/crp</u>. To locate your local FSA office, visit <u>farmers.gov/service-locator</u>.

## USDA Safety Net Program Enrollment for 2019 and 2020

Agricultural producers now can enroll in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs – two U.S. Department of Agriculture (USDA) safety net programs – for the 2019 and 2020 crop year.

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. The 2018 Farm Bill reauthorized and updated both programs.

Signup for the 2019 crop year closes March 15, 2020, while signup for the 2020 crop year closes June 30, 2020. Producers who have not yet enrolled for 2019 can enroll for both 2019 and 2020 during the same visit to an FSA county office.

ARC and PLC have options for the farm operator who is actively farming the land as well as the owner of the land. Farm owners also have a one-time opportunity to update PLC payment yields beginning with crop year 2020. If the farm owner and producer visit the FSA county office together, FSA can also update yield information during that visit.

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.

#### 2018 Crop Year ARC and PLC Payments

FSA began processing payments last week for 2018 ARC-County (ARC-CO) and PLC on covered commodities that met payment triggers on enrolled farms in the 2018 crop year. In addition to the \$1.5 billion now in process, FSA anticipates it will issue another \$1 billion in November once USDA's National Agricultural Statistics Service publishes additional commodity prices for the 2018 crop.

Producers who had 2018 covered commodities enrolled in ARC-CO can visit <u>www.fsa.usda.gov/arc-plc</u> for payment rates applicable to their county and each covered commodity. For farms and covered commodities enrolled in 2018 PLC, the following crops met payment triggers: barley, canola, corn, dry peas, grain sorghum, lentils, peanuts, large chickpeas, sunflower seed, flaxseed, rapeseed, seed cotton, long grain rice, medium/short grain rice and wheat.

Oats, small chickpeas, mustard seed, safflower, crambe, sesame seed and soybeans did not meet 2018 PLC payment triggers.

2018 PLC payment rates for the following covered commodities have not been determined: temperate Japonica rice.

#### **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 <u>ARC and PLC</u> <u>webpage</u>.

## Acreage Crop Reporting Streamlining Initiative (ACRSI)

Farmers and ranchers filing crop acreage reports with the Farm Service Agency (FSA) and participating insurance providers approved by the Risk Management Agency (RMA) now can provide the common information from their acreage reports at one office and the information will be electronically shared with the other location. This new process is part of the USDA Acreage Crop Reporting Streamlining Initiative (ACRSI).

Producers must still visit both their local FSA office and their insurance provider to validate and sign acreage reports, complete maps, or provide program-specific information, including reporting uninsured crops to FSA. The common data from the first-filed acreage report will now be available to pre-populate and accelerate completion of the second report.

## 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
- 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.

## USDA Microloans Help Farmers Purchase Farmland and Improve Property

Producers, Including Beginning and Underserved Farmers, Have a New Option to Gain Access to Land

The U.S. Department of Agriculture (USDA) is offering farm ownership microloans, creating a new financing avenue for farmers 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.

The microloan program has been hugely successful, providing more than 16,800 low-interest loans, totaling over \$373 million to producers across the country. Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013. Seventy percent of loans have gone to new farmers.

Now, microloans will be available to also help with farm land 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 visit <u>www.fsa.usda.gov/microloans</u>, or contact your local FSA office.

## ASKFSA

Are you looking for answers to your FSA questions? Then ASK FSA at **askfsa.custhelp.com**.

AskFSA is an online resource that helps you easily find information and answers to your FSA questions no matter where you are or what device you use. It is for ALL customers, including underserved farmers and ranchers who wish to be enrolled in FSA loans, farm, and conservation programs.

#### Through AskFSA you can:

- Access our knowledge base 24/7
- Receive answers to your questions faster
- Submit a question and receive a timely response from an FSA expert
- Get notifications when answers important to you and your farming operation are updated

Customize your account settings and view responses at any time

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