

New Mexico FSA State Newsletter - August 2021

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# Message from the Acting State Executive Director

Brenda Archuleta, Acting State Executive Director, would like to inform/remind producers of the following:

## **Appointment of State Committee Member**

The USDA Farm Service Agency (FSA) announced the appointment of James Bostwick to serve on the FSA state committee in New Mexico which ensures the effective and efficient delivery of FSA federal farm programs to the state's agricultural producers.

Mr. Bostwick, of Clovis, New Mexico (Curry County), is owner/operator of Bostwick Farms, Inc. a large-scale wheat, grain sorghum, canola and commercial cattle operation and is a member of several national and state level agricultural organizations. Mr. Bostwick has previously served on the state committee and we are excited that he has rejoined the NM FSA team.

## **County Office Operations**

Most NM Service Centers are currently operating at up to 75% office staffing and may accept visitors by appointment only. To make an appointment contact your local service center.

To learn about alternative methods of conducting business with FSA and Service Center status visit <u>Farmers.gov</u>.

#### **Office Closures**

## Sept 6 All Offices Closed for Labor Day Holiday

<u>Upcoming Deadlines</u>(Note that this list may not include every deadline. Check with your <u>local USDA Service Center</u> to learn about all available programs, and programs that have local or state deadlines.)

Aug 30	NAP – Application for Coverage for 2022 Coverage Deadline for the following crops: Canola
Sep 1	Noninsured Crop Disaster Assistance Program (NAP) – Application for Coverage for 2022 coverage deadline for the following crops: Sod Grass, Onions, Garlic, Floriculture, Aquaculture
Sept 17	Pandemic Livestock Indemnity Program (PLIP)
Sept 30	NAP – Application for Coverage for 2022 Coverage Deadline for the Following crops: Barley, Oats, Rye, Triticale, Wheat, and Canola
Oct 12	Coronavirus Food Assistance Program (CFAP) 2
Oct 15	Pandemic Assistance for Timber Harvesters and Haulers Program (PATHH)
Nov 1	Organic Crop Cost Share Program (OCCSP)

#### Farmers.gov

If you haven't already, be sure to visit Farmers.gov to create an account. Farmers.gov is a secure online customer portal and employee portal designed to improve program delivery efficiency and effectiveness. The website contains program information including but not limited to active farm programs, program deadlines, recent news, and several tools to assist customers obtain information at the click of a mouse or tap of a screen.

#### Coronavirus Food Assistance Program (CFAP) 2

The USDA updated the Coronavirus Food Assistance Program 2 (CFAP 2) for contract producers of eligible livestock and poultry and producers of specialty crops and other sales-based commodities. CFAP 2, which assists producers who faced market disruptions in 2020 due to COVID-19, is part of USDA's broader Pandemic Assistance for Producers initiative. Additionally, USDA's Farm Service Agency (FSA) has set an Oct. 12 deadline for all eligible producers to apply for or modify applications for CFAP 2.

For more information on Coronavirus Updates visit Farmers.gov.

## Organic Certification Cost Share Program (OCCSP)

Organic producers and handlers can now apply for USDA funds to assist with the cost of receiving or maintaining organic certification. Applications for the Organic Certification Cost Share Program (OCCSP) are due Nov. 1, 2021.

Organic farmers and ranchers may apply through an FSA county office or a participating state agency. To learn more about organic certification cost share, please visit the OCCSP webpage, visit usda.gov/organic, or contact your local USDA Service Center.

## Farm Loan Program Updates

New Mexico Farm Loans continues to process and mail FSA-2601 Debt Relief Offer Letters to eligible SDA direct loan borrowers under the American Rescue Plan Act (ARPA).

If you believe that you should be an ARPA eligible borrower but have not yet received your FSA-2601 ARPA debt relief offer letter, please be patient. Our farm loan staff is working diligently to process and mail all offer letters out to our ARPA eligible borrowers.

Also, ARPA eligible borrowers may be receiving correspondence from the Agency in the near future providing updates regarding current litigation and potential future implementation of Section 1005 of the American Rescue Plan Act. Please keep an eye out for any potential notifications.

For more information on the American Rescue Plan visit www.farmers.gov/AmericahRescuePlan.

# **FSA Hemp Acreage Reporting Procedure**

The 2018 Farm Bill directed USDA to establish a national regulatory framework for hemp production. Producers planting hemp are required to file acreage reports with FSA. The acreage report must include the producer's license number.

To learn more regarding the requirements for State and Tribal Hemp Plans and License numbering Scheme, please visit

https://www.ams.usda.gov/sites/default/files/media/StateandTribalPlanRequirements.pdf

# 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.

# **USDA Announces Pandemic Assistance for Timber Harvesters and Haulers**

The U.S. Department of Agriculture (USDA) is providing up to \$200 million to provide relief to timber harvesting and timber hauling businesses that have experienced losses due to COVID-19 as part of USDA's Pandemic Assistance for Producers initiative. Loggers and truckers can apply for assistance through USDA's Farm Service Agency (FSA) July 22 through Oct. 15, 2021. The Pandemic Assistance for Timber Harvesters and Haulers program (PATHH) is administered by FSA in partnership with the U.S. Forest Service.

The Consolidated Appropriations Act, 2021, authorized this critical assistance for the timber industry. Timber harvesting and hauling businesses that have experienced a gross revenue loss of at least 10% during the period of Jan. 1 and Dec. 1, 2020, compared to the period of Jan. 1 and Dec. 1, 2019, are encouraged to apply.

# **Program Details**

To be eligible for payments, individuals or legal entities must be a timber harvesting or timber hauling business where 50% or more of its gross revenue is derived from one or more of the following:

- Cutting timber.
- Transporting timber.
- Processing of wood on-site on the forest land (chipping, grinding, converting to biochar, cutting to smaller lengths, etc.).

Payments will be based on the applicant's gross revenue received from Jan. 1, 2019, through Dec. 1, 2019, minus gross revenue received from Jan. 1, 2020, through Dec. 1, 2020, multiplied by 80%. FSA will issue an initial payment equal to the lesser of the calculated payment amount or \$2,000 as applications are approved. A second payment will be made after the signup period has ended based upon remaining PATHH funds.

The maximum amount that a person or legal entity may receive directly is \$125,000.

### **Applying for Assistance**

Loggers and truckers can apply for PATHH beginning on July 22 by completing form FSA-1118, Pandemic Assistance for Timber Harvesters and Haulers Program application, and certifying to their gross revenue for 2019 and 2020 on the application. Additional documentation may be required. Visit <a href="mailto:farmers.gov/pathh">farmers.gov/pathh</a> for more information on how to apply.

Applications can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery, or via electronic means. To find a local FSA office, loggers and truckers can visit <a href="mailto:farmers.gov/service-locator">farmers.gov/service-locator</a>. They can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

# **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 \$1,776,000. 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.

# 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 <a href="rd.usda.gov/publications/regulations-guidelines">rd.usda.gov/publications/regulations-guidelines</a>. 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.

# **New Mexico Farm Service Agency**

100 Sun Ave. NE Albuquerque, NM 87109

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

Acting State Executive Director: Farm Loan Chief:

Brenda Archuleta LeAnn Gibbs

District Directors:

Farm Program Chief:

<u>Andrew Flores</u>

Joilynn Gray Oscar Rivera Rhonda Mitchell

To find contact information for your local office go to www.fsa.usda.gov/NM