

New Mexico FSA State Newsletter - August 2022

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## **Message from the State Executive Director**

Howdy Friends,

I hope you all are enjoying the long overdue rains that are sprinkling across parts of New Mexico. With these rains bring flashfloods so make sure to be safe out there as you navigate through your pastures and fields. It only takes 6 inches of fast-moving water to knock over an adult, and 18 to 24 inches of fast-moving water can carry way most large trucks or SUVs.

Before we jump into some of the updates that we have for you regarding our programs, I would like to discuss some of the current career opportunities that are available with New Mexico FSA. We currently have five positions open on USA Jobs and I would like to highly encourage you to apply if you are looking for a new career or share the information with someone that you may know that is looking for a fulfilling career with great growth opportunity and benefits. All current and future job postings can be found at usajobs.gov or by clicking the link provided. <a href="USAJOBS - Search">USAJOBS - Search</a>

Through the Emergency Relief Program (ERP), FSA has processed more than 255,000 applications, issuing approximately \$6.4 billion, in payments to commodity and specialty crop producers to help offset eligible losses from qualifying 2020 and 2021 natural disasters. By breaking-down agency barriers, using existing data across USDA and pre-filled applications,

USDA's Farm Service Agency (FSA) in cooperation with the Risk Management Agency (RMA) has been able to expediently provide economic relief and save producers and staff over a million hours of time.

The Secretary announced that it will indefinitely extend the deadline for producers to return the pre-filled applications for Phase One of the Emergency Relief Program (ERP). A new deadline will be announced after the last Phase One applications are mailed and provide at least 30 days following the mailing. As such, more than 18,000 producers will soon receive new or updated pre-filled disaster applications to offset eligible crop losses.

FSA is investing \$10 million for agriculture-oriented taxpayer education as well as \$4.5 million in outreach for the Conservation Reserve Program's <u>Transition Incentives Program</u> (CRP TIP), which helps with access to land for beginning and socially disadvantaged farmers and ranchers. Both efforts help advance equity and access to USDA programs and agriculture.

Microloan Assistance for Wildfire Disaster Recovery is now being offered. These loans offer a possible resource to provide short-term financial assistance to producers until other resources become available. This program is available for producers whose farming and/or ranching operations have been severely affected by the devastating wildfires that have spread throughout New Mexico this year. FSA will consider microloans for 80% of any Federal agency's valid disaster program payment. The maximum loan amount under the operating microloan program is \$50,000. Interest rates are based on the regular operating loan rates that are in effect at the time of the microloan approval or closing, whichever is less. All of FSA's loans must meet regulatory security requirements and must be able to project a feasibly operating plan. Assignments on the disaster program payments along with a security agreement on livestock and/or equipment will be required. Please contact your local FSA office to request additional information.

As we continue to work in the communities affected by this year's severe wildfires, we want to make sure that every eligible applicant has the opportunity to apply to our programs, so we have started the necessary steps to extend the signup for the Emergency Forestry Restoration Program (EFRP) and Emergency Conservation Program (ECP) in Colfax, San Miguel, and Mora Counties which was scheduled to close September 3rd. If you have interest in these programs, please contact the local FSA County Office. As part of the process for these programs, FSA works in conjunction with Technical Agencies to complete the assessments. For EFRP, New Mexico State Forestry is the Technical Agency and for ECP, the Natural Resource Conservation Service (NRCS) serves as FSA's technical agency.

Lastly, best of luck to all those participating in this year's New Mexico State Fair. We hope to see you there.

Sincerely,

Jonas Moya

#### **IMPORTANT DATES**

Program	Announcement	Date
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Conservation Reserve Programs	Grasslands - Deadline for NRCS/TSP to complete Conservation Plans, return completed to FSA	September 9
Farm Records	System Shutdown for Farm Records Rollover	September 23
Conservation Reserve Programs	General & Grasslands - Obtain all signatures, approve CRP-1s, load into COLS	September 30
Organic Certification Cost Share Program	Deadline to complete application with supporting documentation	October 31
Organic and Transitional Education and Certification Program	Deadline to complete application with supporting documentation	TBD

### **OFFICE CLOSURES**

Labor Day	September 3
Columbus Day	October 8
Veterans Day	November 12
Thanksgiving Day	November 22
Christmas Day	December 25

# **Farmers to Receive Documentation of USDA Services**

The Farm Service Agency (FSA) provides a receipt to customers who request or receive assistance or information on FSA programs.

The 2014 Farm Bill requires a customer receipt to be issued for any agricultural program assistance requested from FSA, the Natural Resources Conservation Service (NRCS) and Rural Development (RD). Receipts include the date, summary of the visit and any agricultural information, program and/or loan assistance provided to an individual or entity. Electronic receipts for acreage reports began on Aug. 1, 2016.

A service is any information, program, or loan assistance provided whether through an office visit, email, fax, or letter.

## **USDA** and **SCORE** Joining Forces to Find Mentors

If you are a farmer or rancher, or have agricultural or business experience, join us in supporting the next generation and in investing in your local community. Your experiences and knowledge as a business owner, agricultural professional, or farmer can provide vital support to your community

USDA is collaborating with SCORE – <u>score.org</u> - the nation's largest network of volunteer, expert business mentors in an effort to expand the field of available agricultural mentors and provide free business mentoring to farmers, ranchers, and other agricultural and rural business owners. SCORE is currently looking for volunteers with experience in an agriculture-related field who would like to become part of an extended field of volunteers. The organization's Orientation and Mentoring Certification program provides volunteers with everything needed to be a successful volunteer. Training includes background about SCORE's mission and services, as well as guidance on how to be a business mentor, including enhancement of listening, interviewing and problem-solving skills.

Current mentors have backgrounds in finance, accounting, marketing, operations, business and financial planning. The mentors provide local expertise and free one-on-one business mentoring to new and existing farmers and business owners. Together they work through the process of starting or maintaining agricultural and rural businesses. No matter what stage a business is in, SCORE volunteer mentors can help in developing business plans, navigating financing and legal issues, identifying new markets, and other topics, in order to help their clients succeed. FSA invites you to learn more and sign up to become a mentor today at <a href="mailto:newfarmers.usda.gov/mentorship">newfarmers.usda.gov/mentorship</a>.

## 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.

## The Importance of Responding to NASS Surveys

USDA's National Agricultural Statistics Service (NASS) conducts hundreds of surveys every year and prepares reports covering virtually every aspect of U.S. agriculture.

If you receive a survey questionnaire, please respond quickly and online if possible.

The results of the surveys help determine the structure of USDA farm programs, such as soil rental rates for the Conservation Reserve Program and prices and yields used for the Agriculture Risk Coverage and Price Loss Coverage programs. This county-level data is critical for USDA farm payment determinations. Survey responses also help associations, businesses and policymakers advocate for their industry and help educate others on the importance of agriculture.

NASS safeguards the privacy of all respondents and publishes only aggregate data, ensuring that no individual operation or producer can be identified.

NASS data is available online at <u>nass.usda.gov/Publications</u> and through the searchable <u>Quick Stats database</u>. Watch a video on how NASS data is used at youtube.com/watch?v=m-4zjnh26io&feature=youtu.be.

## **Every Season is Scam Season**

Remember to discuss your USDA Farm Service Agency (FSA) account information only with people you recognize and trust.

If you have questions about your FSA accounts, including your farm loans, contact your County USDA Service Center or visit fsa.usda.gov.

# Top 6 Emergency Relief Program Checklist Items for Eligible Farmers

FSA recently began mailing 5,200 pre-filled applications to commodity and specialty crop producers who obtained Noninsured Crop Insurance Disaster Assistance Program (NAP) coverage for the Emergency Relief Program (ERP), a new program designed to help agricultural producers impacted by wildfires, droughts, hurricanes, winter storms, and other qualifying natural disasters experienced during calendar years 2020 and 2021. This mailing is

in addition to the 303,000 pre-filled applications mailed out in May to producers who had crop insurance coverage for losses in 2021 and 2021.

The past few years have been tough to say the least. As producers have dealt with the continued impacts of the COVID-19 pandemic, they have also struggled to recover from more frequent, more intense natural disasters. I am grateful that Congress passed, and President Biden signed into law the Extending Government Funding and Delivering Emergency Assistance Act (P.L. 117-43), which includes \$10 billion in critical emergency relief.

After extensive stakeholder outreach, including with producers and groups that have not always been included in USDA programs, our team began work developing a responsive, easier-to-access program that could be rolled out in phases. We're now rolling out the first phase of ERP, which uses existing <a href="Federal Crop Insurance">Federal Crop Insurance</a> or <a href="Monitoring Insurance">Noninsured Crop Disaster</a> Assistance <a href="Program">Program</a> (NAP) data as the basis for calculating initial payments.

By leveraging existing data, we have been able to already deliver \$6 billion in assistance on a faster timeline; at the same time, my team and I are committed to ensuring that producers who do not have existing data on file with USDA are captured in the second phase of ERP, which will be explicitly focused on filling gaps in previously implemented emergency assistance.

To apply for ERP Phase 1, here's what you need to do:

#### **Check Your Mailbox**

The form being mailed to you includes eligibility requirements, outlines the application process, and provides estimated ERP payment calculations. Producers will receive a separate application form for each program year in which an eligible loss occurred. Receipt of a prefilled application is not confirmation that a producer is eligible to receive an ERP phase one payment. This application takes about 0.176 hours (that's less than 15 minutes) for producers to complete, compared to the former Wildfire and Hurricane Indemnity Program – Plus application which took several hours for producers to complete and even longer for FSA staff.

#### **Check Your Eligibility**

ERP covers losses to crops, trees, bushes, and vines due to a qualifying natural disaster event in calendar years 2020 and 2021. Eligible crops include all crops for which crop insurance or NAP coverage was available, except for crops intended for grazing. Qualifying natural disaster events include wildfires, hurricanes, floods, derechos, excessive heat, winter storms, freeze (including a polar vortex), smoke exposure, excessive moisture, qualifying drought\*, and related conditions.

\*Lists of 2020 and 2021 drought counties eligible for ERP are available online.

#### **Check Required Forms on File with FSA**

#### Producers must have the following forms on file with FSA:

- Form AD-2047, Customer Data Worksheet.
- Form CCC-902, Farm Operating Plan for an individual or legal entity.
- Form CCC-901, Member Information for Legal Entities (if applicable).

- Form FSA-510, Request for an Exception to the \$125,000 Payment Limitation for Certain Programs (if applicable).
- A highly erodible land conservation (sometimes referred to as HELC) and wetland conservation certification (Form AD-1026 Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification) for the ERP producer and applicable affiliates.

If you have previously participated in FSA programs, you will likely have these required forms on file. However, if you're uncertain or want to confirm the status of your forms, contact your local FSA county office.

#### **Check Historically Underserved Status with FSA, If Applicable**

The ERP payment percentage for historically underserved producers, including beginning, limited resource, socially disadvantaged, and veteran farmers, and ranchers will be increased by 15% of the calculated ERP payment.

To qualify for the higher payment percentage, eligible producers must have the following form on file with FSA:

• Form CCC-860, Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification.

#### **Check Your Future Insurance Coverage**

All producers who receive ERP phase one payments are statutorily required to purchase crop insurance, or NAP coverage where crop insurance is not available, for the next two available crop years, as determined by the Secretary.

Coverage requirements will be determined from the date a producer receives an ERP payment and may vary depending on the timing and availability of crop insurance or NAP for a producer's particular crops.

The final crop year to purchase crop insurance or NAP coverage to meet the second year of coverage for this requirement is the 2026 crop year.

#### **Check Your bank**

Once the completed ERP application for payment is submitted to and signed by FSA, producers who have direct deposit should look for payment within three business days.

#### **More Information**

We have additional resources, including:

- ERP July 27, 2022 News Release
- ERP June 29, 2022 News Release
- ERP May 16, 2022 News Release
- ERP Fact Sheet
- Answers to Frequently Asked Questions (FAQs)

- Emergency Relief Webpage
- ERP Notice of Funding Availability

In addition to ERP, FSA is also implementing the first phase of the new Emergency Livestock Relief Program. At this time, FSA has made more than \$590 million in payments to impacted livestock producers.

Bottom line, we take your feedback seriously, and we wanted to deliver this relief as soon as possible. We learned from previous relief programs, and we're excited to be getting this to you as swiftly as we can.

## 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.

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

Farmers and ranchers can use the *Farm Loan Discovery Tool* on farmers.gov to find information on USDA farm loans that may best fit their operations.

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.

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 receive 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 <a href="mailto:farmers.gov/recover/disaster-assistance-tool#step-1">farmers.gov/recover/disaster-assistance-tool#step-1</a> to find disaster assistance programs that can help their operation recover from natural disasters.

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