January 2021





Farm Service Agency Electronic News Service

NEWSLETTER

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New York State FSA Newsletter

New York State Farm Service Agency

441 S. Salina St. Suite #536 Syracuse, NY 13202

www.fsa.usda.gov/ny

State Executive Director: Clark Putman

State Committee:

Judi Whittaker, Chair Michael Bittel Lawrence Eckhardt Theodore Furber

USDA Announces CRP General Signup Ends February 12

Agricultural producers and private landowners interested in the <u>Conservation Reserve Program</u> (CRP) can sign up for the popular program beginning Jan. 4, 2021, until Feb. 12, 2021. The competitive program, administered by USDA's Farm Service Agency (FSA), 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 their local region and the nation's environment and economy. CRP general signup is held annually and is competitive; general signup includes increased opportunities for wildlife habitat enrollment through the State Acres

Barbara Hanselman

Executive Officer:

Mark Dennis

Farm Loan Chief: John Liddington

To find contact information for your local New York office click here.

January Interest Rates:

Farm Storage Facility Loans:

3 yr - 0.250% 5 yr - 0.375%

7 yr - 0.625% 10 yr - 0.875%

12 yr - 1.000%

Commodity Loans: 1.125%

Farm Loan Programs:

Farm Operating: 1.375% Farm Ownership: 2.50% Conservation Loans: 2.50% Direct Down Payment: 1.5%

Joint Financing: 2.5%

For Wildlife Enhancement (SAFE) initiative.

New cropland offered in the program must have been planted for four out of six crop years from 2012 to 2017. Additionally, producers with land already enrolled but expiring on Sept. 30, 2021, can re-enroll this year. The acreage offered by producers and landowners is evaluated competitively; accepted offers will begin Oct. 1, 2021.

Signed into law in 1985, CRP is one of the largest private-lands conservation programs in the United States. The program marked its <u>35-year anniversary</u> in December 2020. 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%, 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.
- Benefiting bees and other pollinators and increasing populations of ducks, pheasants, turkey, bobwhite quail, prairie chickens, grasshopper sparrows, and many other birds.

Dates to Remember

Jan. 15	Acreage Reporting Deadline for Apples, Grapes & Peaches
Jan. 18	All Offices Closed for Martin Luther King Jr. Day
Feb. 1	Deadline for Noninsured Crop Assistance Disaster Program (NAP) - beets, burdock, chicory, greens, herbs, leeks, lettuce, onions, radicchio, radishes, scallions, shallots, and turnips
Feb. 12	CRP-General & SAFE Sign-Up Deadline
Feb. 15	All Offices Closed for Washington's Birthday
Mar. 5	Quality Loss Adjustment Program Deadline
Mar. 15	ARC/PLC Annual Enrollment Deadline
Mar. 15	Deadline for Noninsured Crop Assistance Disaster Program (NAP) - for most spring planted fruits and vegetables
Mar. 31	Marketing Assistance Loans and Loan Deficiency Payments or prior year harvested wheat, barley and oats

Free Business & Estate Transition Planning for Farm Owners Workshop Offered by SCORE

Business & Estate Transition Planning for Farm Owners Wednesday, January 27, 2021

9:00am Intro & SCORE Introduction

9:15am Business & Estate Transition Planning

11:00am Q&A with open lines for questions

This workshop is intended for farm owners, agriculture business owners and small family business owners.

Why should you attend?

- Learn steps necessary to successfully transition your life's work
- Strengthen and secure your farm's future
- We'll help you reduce your risk of doing nothing (not having a plan)
- Learn about resources available to help you

What will you learn?

- The importance of valuing your business
- Planning for your farm's future
- Essential steps for farm/business transition planning
- Protecting and planning for your future and possible retirement
- Understanding the importance of succession or transition planning
- · Key elements of estate planning

For information and to register head to: https://tinyurl.com/farmplng

USDA Offers Secure New Options for Signing and Sharing Documents Online

Farmers and ranchers working with USDA's Farm Service Agency or Natural Resources Conservation Service can now sign and share documents online in just a few clicks. By using Box or OneSpan, producers can digitally complete business transactions without leaving their homes or agricultural operations. Both services are free, secure, and available for multiple FSA and NRCS programs.

Box is a secure, cloud-based site where FSA or NRCS documents can be managed and shared. Producers who choose to use Box can create a username and password to access their secure Box account, where documents can be downloaded, printed, manually signed, scanned, uploaded, and shared digitally with Service Center staff. This service is available to any FSA or NRCS customer with access to a mobile device or computer with printer connectivity.

OneSpan is a secure eSignature solution for FSA and NRCS customers. Like Box, no software downloads or eAuthentication is required for OneSpan. Instead, producers interested in eSignature through OneSpan can confirm their identity through two-factor authentication using a verification code sent to their mobile device or a personalized question and answer. Once identity is confirmed

documents can be reviewed and e-signed through OneSpan via the producer's personal email address. Signed documents immediately become available to the appropriate Service Center staff.

Box and OneSpan are both optional services for customers interested in improved efficiency in signing and sharing documents with USDA, and they do not replace existing systems using eAuthentication for digital signature. Instead, these tools provide additional digital options for producers to use when conducting business with FSA or NRCS.

USDA Service Center staff are available to help producers get started with Box and OneSpan through a few simple steps. Please visit <u>farmers.gov/service-locator</u> to find your local office and let Service Center staff know you're interested in signing and sharing documents through these new features. In most cases, one quick phone call will be all that is needed to initiate the process.

Visit <u>farmers.gov/mydocs</u> to learn more about Box and OneSpan, steps for getting started, and additional resources for conducting business with USDA online.

To learn more about program flexibilities and Service Center status during the coronavirus pandemic, visit farmers.gov/coronavirus.

March 15 Deadline for 2021 Agriculture Risk Coverage and Price Loss Coverage Program Enrollment

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.

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.

2021 Elections and Enrollment

Producers can elect coverage and enroll in crop-by-crop ARC-County or PLC, or ARC-Individual for the entire farm, for the 2021 crop year. Although election changes for 2021 are optional, enrollment (signed contract) is required for each year of the program. If a producer has a multi-year contract on the farm and makes an election change for 2021, it will be necessary to sign a new contract.

If an election is not submitted by the deadline of March 15, 2021, the election defaults to the current election for crops on the farm from the prior crop year.

For crop years 2022 and 2023, producers will have an opportunity to make new elections during those signups. Farm owners cannot enroll in either program unless they have a share interest in the farm.

2019 Crop Year ARC and PLC Payments

FSA began processing payments last week for 2019 ARC-County (ARC-CO) and PLC on covered

commodities that met payment triggers on farms enrolled for the 2019 crop year. In addition to the \$5 billion now in process, FSA anticipates it will issue additional payments by the end of November for 2019 commodities covered under ARC-Individual (ARC-IC) and additional commodities that trigger PLC and ARC-CO payments for which rates have not yet been published.

Producers who had 2019 covered commodities enrolled in ARC-CO can visit the <u>ARC and PLC webpage</u> for payment rates applicable to their county and each covered commodity. For farms and covered commodities enrolled in 2019 PLC, the following crops met payment triggers: barley, canola, chickpeas (small and large), corn, dry peas, grain sorghum, lentils, long and medium grain rice, peanuts, seed cotton and wheat.

Oats and soybeans did not meet 2019 PLC payment triggers.

2019 PLC payment rates for the following covered commodities have not been determined: crambe, flaxseed, mustard seed, rapeseed, safflower, sesame seed, sunflower seed and temperate Japonica rice. Payment rates for these commodities will be announced at a later date.

Web-Based Decision Tools

In partnership with USDA, the University of Illinois and Texas A&M University offer web-based decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. Tools include:

- Gardner-farmdoc Payment Calculator, the University of Illinois tool that offers farmers the ability to run payment estimate modeling for their farms and counties for ARC-County and PLC.
- ARC and PLC Decision Tool, the Texas A&M tool allows producers to analyze payment
 yield updates and expected payments for 2021. Producers who have used the tool in the
 past should see their username and much of their farm data already available in the
 system.

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 ARC and PLC webpage.

For additional questions and assistance, contact your local USDA service center. To locate your local FSA office, visit <u>farmers.gov/service-locator</u>.

Applying for Farm Storage Facility Loans

The Farm Service Agency's (FSA) Farm Storage Facility Loan (FSFL) program provides low-interest financing to help you build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

Eligible commodities include corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds harvested as whole grain, pulse crops (lentils, chickpeas and dry peas), hay, honey, hemp, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Qualified facilities include grain bins, hay barns and cold storage facilities for eligible commodities.

Loans up to \$50,000 can be secured by a promissory note/security agreement, loans between \$50,000 and \$100,000 may require additional security, and 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 small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

For more information, contact your County USDA Service Center or visit fsa.usda.gov/pricesupport.

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

Farmers and ranchers can use the *Farm Loan Discovery Tool* on farmgers.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 farmers.gov/fund 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 farmers.gov/recover/disaster-assistance-tool#step-1 to find disaster assistance programs that can help their operation recover from natural disasters.

For more information, contact your local USDA Service Center or visit farmers.gov.

Update Your Records

FSA is cleaning up our producer record database and needs your help. Please report any changes of address, zip code, phone number, email address or an incorrect name or business name on file to our office. You should also report changes in your farm operation, like the addition of a farm by lease or purchase. You should also report any changes to your operation in which you reorganize to form a Trust, LLC or other legal entity.

FSA and NRCS program participants are required to promptly report changes in their farming operation to the County Committee in writing and to update their *Farm Operating Plan* on form CCC-902.

To update your records, contact your local USDA Service Center.

Supervised Credit from FSA

Farm Service Agency (FSA) farm loans are considered supervised credit. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Our goal is to help you graduate to commercial credit, and our farm loan staff is available to help borrowers through training and credit counseling.

The FSA team will help borrowers identify their goals to ensure financial success. FSA staff will advise borrowers on developing strategies and a plan to meet your goals and graduate to commercial credit. FSA borrowers are responsible for the success of their farming operation, but FSA staff will help in an advisory role, providing the tools necessary to help you achieve your operational goals and manage your finances.

For more information on FSA farm loan programs, contact your local USDA Service Center or visit fsa.usda.gov.

Quality Loss Assistance Now Available for Eligible Producers Affected by 2018, 2019 Natural Disasters

The U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) today announced that signup for the Quality Loss Adjustment (QLA) Program will begin Wednesday, Jan. 6, 2021. Funded by the Further Consolidated Appropriations Act of 2020, this new program provides assistance to producers who suffered eligible crop quality losses due to natural disasters occurring in 2018 and 2019. The deadline to apply for QLA is Friday, March 5, 2021.

Eligible Crops

Eligible crops include those for which <u>federal crop insurance</u> or <u>Noninsured Crop Disaster</u>
<u>Assistance Program</u> (NAP) coverage is available, except for grazed crops and value loss crops, such as honey, maple sap, aquaculture, floriculture, mushrooms, ginseng root, ornamental nursery, Christmas trees, and turfgrass sod.

Additionally, crops that were sold or fed to livestock or that are in storage may be eligible; however, crops that were destroyed before harvest are not eligible. Crop quality losses occurring after harvest, due to deterioration in storage, or that could have been mitigated, are also not eligible.

Assistance is based on a producer's harvested affected production of an eligible crop, which must

have had at least a 5% quality loss reflected through a quality discount; or for forage crops, a nutrient loss, such as total digestible nutrients.

Qualifying Disaster Events

Losses must have been a result of a qualifying disaster event (hurricane, excessive moisture, flood, qualifying drought, tornado, typhoon, volcanic activity, snowstorm, or wildfire) or related condition that occurred in calendar years 2018 and/or 2019._

Assistance is available for eligible producers in counties that received a qualifying Presidential Emergency Disaster Declaration or Secretarial Disaster Designation because of one or more of the qualifying disaster events or related conditions.

Lists of counties with Presidential Emergency Disaster Declarations and Secretarial Disaster Designations for all qualifying disaster events for 2018 and 2019 are available here. For drought, producers are eligible for QLA if the loss occurred in an area within a county rated by the U.S.. Drought Monitor as having a D3 (extreme drought) or higher intensity level during 2018 or 2019.

Producers in counties that did not receive a qualifying declaration or designation may still apply but must also provide supporting documentation to establish that the crop was directly affected by a qualifying disaster event.

To determine QLA eligibility and payments, FSA considers the total quality loss caused by all qualifying natural disasters in cases where a crop was impacted by multiple events.

Applying for QLA

When applying, producers are asked to provide verifiable documentation to support claims of quality loss or nutrient loss in the case of forage crops. For crops that have been sold, grading must have been completed within 30 days of harvest, and for forage crops, a laboratory analysis must have been completed within 30 days of harvest.

Some acceptable forms of documentation include sales receipts from buyers, settlement sheets, truck or warehouse scale tickets, written sales contracts, similar records that represent actual and specific quality loss information, and forage tests for nutritional values.

Payments Calculations and Limitations

QLA payments are based on formulas for the type of crop (forage or non-forage) and loss documentation submitted. Based on this documentation FSA is calculating payments based on the producer's own individual loss or based on the county average loss. More information on payments can be found on farmers.gov/quality-loss.

FSA will issue payments once the application period ends. If the total amount of calculated QLA payments exceeds available program funding, payments will be prorated.

For each crop year, 2018, 2019 and 2020, the maximum amount that a person or legal entity may receive, directly or indirectly, is \$125,000. Payments made to a joint operation (including a general partnership or joint venture) will not exceed \$125,000, multiplied by the number of persons and legal entities that comprise the ownership of the joint operation. A person or legal entity is ineligible for QLA payment if the person's or legal entity's average Adjusted Gross Income exceeds \$900,000, unless at least 75% is derived from farming, ranching or forestry-related activities.

Future Insurance Coverage Requirements

All producers receiving QLA Program payments are required to purchase crop insurance or NAP coverage for the next two available crop years at the 60% coverage level or higher. Wildlife and Hurricane Indemnity Program Plus (WHIP+) participants who already met the WHIP+ requirement

to purchase crop insurance or NAP coverage are considered to have thereby met the requirement to purchase crop insurance or NAP coverage for QLA. If eligible, QLA participants may meet the insurance purchase requirement by purchasing Whole-Farm Revenue Protection coverage offered through USDA's Risk Management Agency.

More Information For more information, visit <u>farmers.gov/quality-loss</u>, or contact your local <u>USDA Service Center</u>. Producers can also obtain one-on-one support with applications by calling 877-508-8364.

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).