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### Dates to Remember

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**Producers with Crop Insurance to Receive Premium Benefit for Cover Crops if Reported by Tuesday, June 15**
Agricultural producers who have coverage under most crop insurance policies are eligible for a premium benefit from the USDA if they planted cover crops during this crop year. The Pandemic Cover Crop Program (PCCP), offered by USDA’s Risk Management Agency (RMA), helps farmers maintain their cover crop systems, despite the financial challenges posed by the pandemic.

The PCCP is part of USDA’s Pandemic Assistance for Producers initiative, a bundle of programs to bring financial assistance to farmers, ranchers and producers who felt the impact of COVID-19 market disruptions.

**About the Premium Benefit**
PCCP provides premium support to producers who insured their spring crop with most insurance policies and planted a qualifying cover crop during the 2021 crop year. The premium support is $5 per acre, but no more than the full premium owed.

Illinois, Indiana and Iowa have existing programs for producers to receive a premium benefit for planting cover crops. In these states, participating producers will receive an additional benefit.

All cover crops reportable to FSA are eligible and include cereals and other grasses, legumes, brassicas and other non-legume broadleaves, and mixtures of two or more cover crop species planted at the same time.

**To receive the benefit for this program, producers must file a Report of Acreage form (FSA-578) for cover crops with USDA’s Farm Service Agency (FSA) by June 15, 2021, which is distinct from the normal acreage reporting date.** The normal acreage reporting deadline with FSA has not changed, but to receive the premium benefit, producers must file by June 15. The cover crop fields reported on the Report of Acreage form must match what the producer reported to their insurance company for crop insurance policies. To file the form, producers must contact and make an appointment with their local USDA Service Center.

**Program Details**
Certain policies are not eligible because they have underlying coverage, which would already receive the benefit or are not designed to be reported in a manner consistent with the Report of Acreage form (FSA-578). PCCP is not available for Whole-Farm Revenue Protection, Enhanced Coverage Option, Hurricane Insurance Protection – Wind Index, and Supplemental Coverage Option. Stacked Income Protection (STAX) and Margin Protection (MP) policies are only eligible for PCCP when insured as a standalone policy. STAX and MP endorsements to underlying policies are not eligible for PCCP.

PCCP does not change acreage reporting dates, reporting requirements, or any other terms of the crop insurance policy.

**Cover Crop Conservation Practice Standard**
Meanwhile, USDA’s Natural Resources Conservation Service (NRCS) has made the determination not to update its conservation practice standard for cover crops. NRCS originally proposed restricting mechanical harvest of cover crops, but after reviewing input from agricultural producers and groups, NRCS recognizes this could present challenges for producers who use this important conservation practice. The latest version of the conservation practice standard can be found in the Field Office Technical Guide under Section IV, Conservation Practices and Supporting Documents, by State.

A Notice of Funding Availability was posted on the Federal Register. Additional information on PCCP, including frequently asked questions, can be found at farmers.gov/pandemic-assistance/cover-crops.

RMA is authorizing additional flexibilities due to coronavirus. More information can be found at farmers.gov/coronavirus.

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**FSA Webinar Recordings Available**
where you can either watch the recordings right there, or download the file.

Welcome to FSA - an introduction to FSA loans, programs, and services, as well as how to start working with FSA.
https://nrcs.box.com/s/yzmsqnaj2q4uq5i0nv5ho3474z0nps0

Conservation Reserve Program Buffers - a presentation on the environmental and economic benefits of installing buffers
https://nrcs.box.com/s/hure9h79oberoiewzscd97pugwd6nhr8

Risk Management - learn about federal crop insurance and FSA’s Noninsured Crop Assistance Disaster Program for row crops, forages, fruits, and vegetables
https://nrcs.box.com/s/alelyrwc1rkthui8e0eu3x259fkf5xc2

Loans Available from FSA - an overview of the funding opportunities available from FSA, including Farm Loan Programs, Farm Storage Facility Loans, and Marketing Assistance Loans
https://nrcs.box.com/s/vqmmft0rwz8ohshqtusnky3u1j6v94bi

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**USDA Announces June 2021 Lending Rates for Agricultural Producers**

USDA announced loan interest rates for June 2021, which are effective June 1. USDA’s FSA loans provide important access to capital to help agricultural producers start or expand their farming operation, purchase equipment and storage structures, or meet cash flow needs.

FSA offers farm ownership and operating loans with favorable interest rates and terms to help eligible agricultural producers, whether multi-generational, long-time or new to the industry, obtain financing needed to start, expand or maintain a family agricultural operation. For many loan options, FSA sets aside funding for historically disadvantaged producers, including beginning, women, American Indian or Alaskan Native, Asian, Black or African American, Native Hawaiian or Pacific Islander, and Hispanic farmers and ranchers.

Interest rates for Operating and Ownership loans for June 2021 are as follows:

- **Farm Operating Loans** (Direct): 1.875%
- **Farm Ownership Loans** (Direct): 3.250%
- **Farm Ownership Loans** (Direct, Joint Financing): 2.500%
- **Farm Ownership Loans** (Down Payment): 1.500%
- **Emergency Loan** (Amount of Actual Loss): 2.875%

FSA also offers guaranteed loans through commercial lenders at rates set by those lenders.

You can find out which of these loans may be right for you by using our [Farm Loan Discovery Tool](https://nrcs.box.com/s/vqmmft0rwz8ohshqtusnky3u1j6v94bi).

**Commodity and Storage Facility Loans**

Additionally, FSA provides low-interest financing to producers to build or upgrade on-farm storage facilities and purchase handling equipment and loans that provide interim financing to help producers meet cash flow needs without having to sell their commodities when market prices are low. Funds for these loans are provided through the Commodity Credit Corporation (CCC) and are administered by FSA.

- **Commodity Loans** (less than one year disbursed): 1.125%
Farm Storage Facility Loans:

- Three-year loan terms: 0.375%
- Five-year loan terms: 0.875%
- Seven-year loan terms: 1.250%
- Ten-year loan terms: 1.625%
- Twelve-year loan terms: 1.750%

Disaster Support
FSA also reminds rural communities, farmers and ranchers, families and small businesses affected by the year's winter storms, drought, and other natural disasters that USDA has programs that provide assistance. USDA staff in the regional, state and county offices are prepared with a variety of program flexibilities and other assistance to residents, agricultural producers and impacted communities. Many programs are available without an official disaster designation, including several risk management and disaster assistance options.

Pandemic Support
Through September 1, 2021, FSA’s Disaster Set-Aside provision is available to direct loan borrowers who have been impacted by the pandemic. This enables an upcoming annual installment to be set aside for the year and added to the final installment. For annual operating loans, the loan maturity date may be extended up to twelve months in order to set aside the installment. This provision is normally used in the wake of natural disasters, and a second Disaster Set-Aside may be available for direct loan borrowers who already have a DSA in place on a loan due to another designated natural disaster.

Producers can explore available options on all FSA loan options at fsa.usda.gov or by contacting your local USDA Service Center.

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, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple sap & syrup, 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 local USDA Service Center or visit fsa.usda.gov/pricesupport.
Using FSA Direct Farm Ownership Loans for Construction

The USDA Farm Service Agency’s (FSA) Direct Farm Ownership loans are a resource to help farmers and ranchers become owner-operators of family farms, improve and expand current operations, increase agricultural productivity, and assist with land tenure to save farmland for future generations.

There are three types of Direct Farm Ownership Loans: regular, down payment and joint financing. FSA also offers a Direct Farm Ownership Microloan option for smaller financial needs up to $50,000.

Direct Farm Ownership Loans can be used to construct, purchase or improve farm dwellings, service buildings or other facilities, and to make improvements essential to an operation.

Applicants must provide FSA with an estimate of the total cost of all planned development that completely describe the work, prior to loan approval and must show proof of sufficient funds to pay for the total cost of all planned development at or before loan closing. In some instances, applicants may be asked to provide certified plans, specifications or contract documents. The applicant cannot incur any debts for materials or labor or make any expenditures for development purposes prior to loan closing with the expectation of being reimbursed from FSA funds.

Construction and development work may be performed either by the contract method or the borrower method. Under the contract method, construction and development contractors perform work according to a written contract with the applicant or borrower. If applying for a direct loan to finance a construction project, the applicant must obtain a surety bond that guarantees both payment and performance in the amount of the construction contract from a construction contractor.

A surety bond is required when a contract exceeds $100,000. An authorized agency official determines that a surety bond appears advisable to protect the borrower against default of the contractor or a contract provides for partial payments in excess of the amount of 60 percent of the value of the work in place.

Under the borrower method, the applicant or borrower will perform the construction and development work. The borrower method may only be used when the authorized agency official determines, based on information from the applicant, that the applicant possesses or arranges to obtain the necessary skill and managerial ability to complete the work satisfactorily and that such work will not interfere with the applicant’s farming operation or work schedule.

Potential applicants should visit with FSA early in the initial project planning process to ensure environmental compliance.

For more eligibility requirements and information about FSA Loan programs, contact your local USDA Service Center or visit fsa.usda.gov.

American Rescue Plan Socially Disadvantaged Farmer Debt Payments

USDA recognizes that socially disadvantaged farmers and ranchers have faced systemic discrimination with cumulative effects that have, among other consequences, led to a substantial loss in the number of socially disadvantaged producers, reduced the amount of farmland they control, and contributed to a cycle of debt that was exacerbated during the COVID-19 pandemic. During the pandemic, socially disadvantaged communities saw a disproportionate amount of COVID-19 infection rates, loss of property, hospitalizations, death, and economic hurt.
socially disadvantaged producers including Black/African American, American Indian or Alaskan native, Hispanic or Latino, and Asian American or Pacific Islander.

USDA is now reviewing and working to gather feedback to implement the Act, and more guidance will be forthcoming for socially disadvantaged borrowers with direct or guaranteed farm loans as well as Farm Storage Facility Loans. As information becomes available, it will be provided directly to socially disadvantaged borrowers and stakeholder groups representing socially disadvantaged producers, posted here on farmers.gov, and shared through our social media channels, email newsletters, and the media.

**Who qualifies for this debt relief?**

Any socially disadvantaged borrower with direct or guaranteed farm loans as well as Farm Storage Facility Loans qualifies. The American Rescue Plan Act uses the 2501 definition of socially disadvantaged, which includes Black/African American, American Indian or Alaskan native, Hispanic or Latino, and Asian American or Pacific Islander. Gender is not a criterion in and of itself, but of course women are included in these categories.

**I qualify as socially disadvantaged under the American Rescue Plan definition, but I am not late on my payments. Do I still qualify?**

Yes. Any socially disadvantaged borrower with direct or guaranteed farm loans as well as Farm Storage Facility Loans qualifies.

**When will qualified borrowers begin to see a loan pay-off or other payment in response to the American Rescue Plan?**

USDA is now reviewing and working to gather feedback to implement the Act, and more guidance will be forthcoming for socially disadvantaged borrowers with direct or guaranteed farm loans as well as Farm Storage Facility Loans. For borrowers in arrears, the moratorium established on January 26th to stop all debt collections, foreclosures and evictions for all borrowers, including socially disadvantaged producers, remains in effect.

Producers who have worked with USDA’s Farm Service Agency previously may have their ethnicity and race on file. A borrower, including those with guaranteed loans, can contact their local USDA Service Center to verify, update or submit a new ethnicity and race designation using the AD-2047. Find your nearest service center at farmers.gov/service-locator.

To learn more about USDA’s work to implement the American Rescue Plan Act of 2021, visit www.usda.gov/arp.

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**FSA is Accepting CRP Continuous Enrollment Offers**

The Farm Service Agency (FSA) is accepting offers for specific conservation practices under the Conservation Reserve Program (CRP) Continuous Signup.

In exchange for a yearly rental payment, farmers enrolled in the program agree to remove environmentally sensitive land from agricultural production and to plant species that will improve environmental health and quality. The program’s long-term goal is to re-establish valuable land cover to improve water quality, prevent soil erosion, and reduce loss of wildlife habitat. Contracts for land enrolled in CRP are 10-15 years in length.

Under continuous CRP signup, environmentally sensitive land devoted to certain conservation practices can be enrolled in CRP at any time. Offers for continuous enrollment are not subject to competitive bidding during specific periods. Instead they are automatically accepted provided the land and producer meet certain eligibility requirements and the enrollment levels do not exceed the statutory cap.
USDA Announces Grants for Urban Agriculture and Innovative Production

4 million in competitive grants is available to support the development of urban agriculture and innovative production projects. USDA will accept applications on Grants.gov for planning and implementation projects until midnight **July 30, 2021.**

**Planning Projects** Planning projects initiate or expand efforts of farmers, gardeners, citizens, government officials, schools and other stakeholders in urban areas and suburbs. Projects may target areas of food access, education, business and start-up costs for new farmers, urban agroforestry or food forests, and development of policies related to zoning and other needs of urban production.

**Implementation Projects** Implementation projects that accelerate existing and emerging models of urban, indoor and other agricultural practices that serve multiple farmers. Projects will improve local food access and collaborate with partner organizations and may support infrastructure needs, emerging technologies, educational endeavors and urban farming policy implementation.

USDA Microloans Help Farmers Purchase Farmland and Improve Property

Farmers can use USDA farm ownership microloans 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.

Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013.

Microloans can also help with farmland 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, contact your County USDA Service Center or visit [fsa.usda.gov/microloans](http://fsa.usda.gov/microloans).
June Interest Rates:

Farm Storage Facility Loans:
3 yr - 0.375%
5 yr - 0.875%
7 yr - 1.250%
10 yr - 1.625%
12 yr - 1.750%

Commodity Loans: 1.125%

June Interest Rates:

Farm Loan Programs:
Farm Operating: 1.875%
Farm Ownership: 3.250%
Conservation Loans: 3.250%
Direct Down Payment: 1.5%
Joint Financing: 2.5%

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