

July 2020



Farm Service Agency **Electronic News Service**

NEWSLETTER

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North Carolina FSA Newsletter

FROM THE DESK OF STATE EXECUTIVE DIRECTOR, EDDIE WOODHOUSE

Be sure to visit www.farmers.gov for service center status updates related to COVID-19, CFAP and acreage reporting. Staff have worked hard to provide timely updates for our customers.

As we enter into the last 5 weeks of signup for Coronavirus Food Assistance Program (CFAP), be sure to visit your local office or call the CFAP call Center Hotline at 877-508-8364 to speak directly with a USDA employee for assistance.

Thanks again for your contribution to North Carolina agriculture!

-eddie

North Carolina Farm Service Agency

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

More than 1.2 million acres accepted for Conservation Reserve Program Grasslands

More than 1.2 million acres were accepted in the Conservation Reserve Program (CRP) Grasslands during the recent signup period that began March 16 and ended May 15.

Through CRP Grasslands, participants retain the right to conduct common grazing practices, such as haying, mowing or harvesting seed from the enrolled land. Timing of some activities may be restricted by the primary nesting season of birds.

Participants will receive an annual rental payment and may receive up to 50 percent cost-share for establishing approved conservation practices. The duration of the CRP contract is 10 or 15 years. FSA ranked offers using a number of factors, including existence of expiring CRP land, threat of conversion or development, existing grassland and predominance of native species cover and cost.

The 2018 Farm Bill set aside 2 million acres for CRP Grassland enrollment. CRP is one of the largest conservation programs at USDA. CRP marks its 35-year anniversary in 2020 with 22 million acres currently enrolled.

For more information or to enroll in CRP Grasslands, contact your local FSA county office or visit fsa.usda.gov/crp. To locate your local FSA office, visit farmers.gov/service-locator.

May Margin Triggers Dairy Margin Coverage Program Payment

The U.S. Department of Agriculture's Farm Service Agency (FSA) today announced that the May 2020 income over feed cost margin was \$5.37 per hundredweight (cwt.), triggering the third payment of 2020 for dairy producers who purchased the appropriate level of coverage under the [Dairy Margin Coverage](#) (DMC) program.

To date, FSA has issued more than \$176 million in program benefits to dairy producers who purchased DMC coverage for 2020.

Authorized by the 2018 Farm Bill, DMC is a voluntary risk management program that offers protection to dairy producers when the difference between the all-milk price and the average feed price (the margin) falls below a certain dollar amount selected by the producer. Over 13,000 operations enrolled in the program for the 2020 calendar year.

Although DMC enrollment for 2020 coverage has closed, signup for 2021 coverage will begin October 13 and will run through December 11, 2020.

All USDA Service Centers are open for business, including some that are open to visitors to conduct business in person by appointment only. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service, or any other Service Center agency should call ahead and schedule an appointment. Service Centers that are open for appointments will pre-screen visitors based on health concerns or recent travel and visitors must adhere to social distancing guidelines. Visitors may also be required to wear a face covering during their appointment. Field work will continue with appropriate social distancing. Our program delivery staff will be in the office, and they will be working with our producers in office, by phone, and using online tools. More information can be found at farmers.gov/coronavirus.

For more information, visit farmers.gov DMC webpage or contact your local USDA Service Center. To locate your local FSA office, visit farmers.gov/service-center-locator.

Additional Commodities Eligible for Coronavirus Food Assistance Program

U.S. Secretary of Agriculture Sonny Perdue announced an initial list of additional commodities that have been added to the Coronavirus Food Assistance Program (CFAP), and that the U.S. Department of Agriculture (USDA) made other adjustments to the program based on comments received from agricultural producers and organizations and review of market data. Producers will be able to submit applications that include these commodities on Monday, July 13, 2020. USDA's Farm Service Agency (FSA) is accepting through Aug. 28, 2020, applications for CFAP, which helps offset price declines and additional marketing costs because of the coronavirus pandemic. USDA expects additional eligible commodities to be announced in the coming weeks.

USDA collected comments and supporting data for consideration of additional commodities through June 22, 2020.

Changes to CFAP include:

- Adding the following commodities: alfalfa sprouts, anise, arugula, basil, bean sprouts, beets, blackberries, Brussels sprouts, celeriac (celery root), chives, cilantro, coconuts, collard greens, dandelion greens, greens (others not listed separately), guava, kale greens, lettuce – including Boston, green leaf, Lolla Rossa, oak leaf green, oak leaf red and red leaf – marjoram, mint, mustard, okra, oregano, parsnips, passion fruit, peas (green), pineapple, pistachios, radicchio, rosemary, sage, savory, sorrel, fresh sugarcane, Swiss chard, thyme and turnip top greens.
- Expanding for seven currently eligible commodities – apples, blueberries, garlic, potatoes, raspberries, tangerines and taro – CARES Act funding for sales losses because USDA found these commodities had a 5 percent or greater price decline between mid-January and

mid-April as a result of the COVID-19 pandemic. Originally, these commodities were only eligible for marketing adjustments.

- Determining that peaches and rhubarb no longer qualify for payment under the CARES Act sales loss category.
- Correcting payment rates for apples, artichokes, asparagus, blueberries, cantaloupes, cucumbers, garlic, kiwifruit, mushrooms, papaya, peaches, potatoes, raspberries, rhubarb, tangerines and taro.

Additional details can be found in the Federal Register in the [Notice of Funding Availability \(NOFA\)](#) and [Final Rule Correction](#) and at www.farmers.gov/cfap.

Producers have several options for applying to the CFAP program:

1. Using an online portal, accessible at farmers.gov/cfap, allows producers with secure USDA login credentials—known as eAuthentication—to certify eligible commodities online, digitally sign applications and submit directly to the local USDA Service Center. New commodities will be available in the system on July 13, 2020.
2. Completing the application form using our CFAP Application Generator and Payment Calculator found at farmers.gov/cfap. This Excel workbook allows customers to input information specific to their operation to determine estimated payments and populate the application form, which can be printed, then signed and submitted to their local USDA Service Center. An updated version with the new commodities will be available on the website on July 13, 2020.
3. Downloading the AD-3114 application form from farmers.gov/cfap and manually completing the form to submit to the local USDA Service Center by mail, electronically or by hand delivery to an office drop box. In some limited cases, the office may be open for in-person business by appointment. Visit farmers.gov/coronavirus/service-center-status to check the status of your local office.

USDA Service Centers can also work with producers to complete and securely transmit digitally signed applications through two commercially available tools: Box and OneSpan. Producers who are interested in digitally signing their applications should notify their local service centers when calling to discuss the CFAP application process. You can learn more about these solutions at farmers.gov/mydocs.

Getting Help from FSA

New customers seeking one-on-one support with the CFAP application process can call 877-508-8364 to speak directly with a USDA employee ready to offer general assistance. This is a recommended first step before a producer engages the team at the FSA county office at their local USDA Service Center.

All other eligibility forms, such as those related to adjusted gross income and payment information, can be downloaded from farmers.gov/cfap. For existing FSA customers, these documents are likely already on file.

Reminder to FSA Direct and Guaranteed Borrowers with Real Estate Security

Farm Service Agency would like to remind farm loan borrowers who have pledged real estate as security for their loans, of key items for maintaining loan collateral. It is required that borrowers must

obtain prior consent, or approval, by either FSA, for direct loans, or by a guaranteed lender, for any transaction affecting real estate security. Examples of these transactions include, but are not limited to:

- Leases of any kind;
- Easements of any kind;
- Subordinations;
- Partial releases, and
- Sales

Failure to meet or follow the requirements set forth 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](#).

FSA Reminds Producers of Ongoing Disaster Assistance Program Signup

The U.S. Department of Agriculture (USDA) has started making payments through the Wildfire and Hurricane Indemnity Program – Plus (WHIP+) to agricultural producers who suffered eligible losses because of drought or excess moisture in 2018 and 2019. Signup for these causes of loss opened March 23, and producers who suffered losses from drought (in counties designated D3 or above), excess moisture, hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms or wildfires can still apply for assistance through WHIP+.

To be eligible for WHIP+, producers must have suffered losses of certain crops, trees, bushes or vines in counties with a Presidential Emergency Disaster Declaration or a Secretarial Disaster Designation (primary counties only) for qualifying natural disaster events that occurred in calendar years 2018 or 2019. Also, losses located in a county not designated by the Secretary as a primary county may be eligible if a producer provides documentation showing that the loss was due to a qualifying natural disaster event.

For losses due to drought, a producer is eligible if any area of the county in which the loss occurred was rated D3, or extreme drought, or higher on the U.S. Drought Monitor during calendar years 2018 or 2019. Producers who suffered losses should contact their FSA county office.

In addition to the recently added eligible losses of drought and excess moisture, FSA will implement a WHIP+ provision for crop quality loss that resulted in price deductions or penalties when marketing crops damaged by eligible disaster events. To ensure an effective program for all impacted farmers, the Agency is currently gathering information on the extent of quality loss from producers and stakeholder organizations.

USDA Service Centers, including FSA county offices, are open for business by phone only, and field work will continue with appropriate social distancing. While program delivery staff will continue to come into the office, they will be working with producers by phone and using online tools whenever possible. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service or any other Service Center agency are required to call their Service Center to schedule a phone appointment. More information on Service Centers can be

found at farmers.gov/coronavirus, and more information on WHIP+ can be found at farmers.gov/whip-plus.

USDA Issues First Coronavirus Food Assistance Program Payments

U.S. Secretary of Agriculture Sonny Perdue today announced the USDA Farm Service Agency (FSA) has already approved more than \$545 million in payments to producers who have applied for the Coronavirus Food Assistance Program. FSA began taking applications May 26, and the agency has received over 86,000 applications for this important relief program.

In the first six days of the application period, FSA has already made payments to more than 35,000 producers. Out of the gate, the top five states for CFAP payments are Illinois, Kansas, Wisconsin, Nebraska, and South Dakota. USDA has released data on application progress and program payments and will release further updates each Monday at 2:00pm ET. The report can be viewed at farmers.gov/cfap.

FSA will accept applications through August 28, 2020. Through CFAP, USDA is making available \$16 billion in financial assistance to producers of agricultural commodities who have suffered a five-percent-or-greater price decline due to COVID-19 and face additional significant marketing costs as a result of lower demand, surplus production, and disruptions to shipping patterns and the orderly marketing of commodities.

In order to do this, producers will receive 80 percent of their maximum total payment upon approval of the application. The remaining portion of the payment, not to exceed the payment limit, will be paid at a later date nationwide, as funds remain available.

Getting Help from FSA

New customers seeking one-on-one support with the CFAP application process can call 877-508-8364 to speak directly with a USDA employee ready to offer general assistance. This is a recommended first step before a producer engages the team at the FSA county office at their local USDA Service Center.

Producers can download the CFAP application and other eligibility forms from farmers.gov/cfap. Also, on that webpage, producers can find a payment calculator to help producers identify sales and inventory records needed to apply and calculate potential payments. Producers self-certify their records when applying for CFAP and that documentation is not submitted with the application. However, producers may be asked for their documentation to support the certification of eligible commodities, so producers should retain the information used to complete their application.

Those who use the online calculator tool will be able to print a pre-filled CFAP application, sign it, and submit it to your local FSA office either electronically or via hand delivery through an office drop box. Please contact your local office to determine the preferred delivery method for your local office. Team members at FSA county offices will be able to answer detailed questions and help producers apply quickly and efficiently through phone and online tools. Find contact information for your local office at farmers.gov/cfap.

Policy Clarifications

FSA has been working with stakeholder groups to provide further clarification to producers on the

CFAP program. For example, the agency has published a matrix of common marketing contracts that impact eligibility for non-specialty crops and has provided a table that crosswalks common livestock terms to CFAP cattle categories. Updated information can be found in the frequently asked questions section of the CFAP website.

More Information

To find the latest information on CFAP, visit farmers.gov/CFAP or call 877-508-8364.

Loan Servicing

There are options for Farm Service Agency loan customers during financial stress. If you are a borrower who is unable to make payments on a loan, contact your local FSA Farm Loan Manager to learn about the options available to you.

USDA Reminds North Carolina Producers to Complete Crop Acreage Reports

USDA's Farm Service Agency (FSA) reminds North Carolina producers to complete [crop acreage reports](#) by the applicable deadline for their county. Acreage reporting dates vary by crop and by county. Contact your FSA county office for a list of acreage reporting deadlines by crop.

The following acreage reporting dates are applicable in North Carolina:

July 15, 2020: Corn, Soybeans, Tobacco, Cotton, Peanuts, Grain Sorghum,

CRP, Sweet Potatoes, Perennial grazing and forage, Miscanthus Grass, and all other crops and land uses

August 15 HEMP

September 15, 2020: Cabbage PP2, Beans PP2,

Due to the pandemic, FSA has implemented acreage reporting flexibilities. FSA can work with producers to file timely acreage reports by phone, email, online tools and virtual meetings. Some FSA offices are open for in-person appointments, but you must call first to make an appointment.

FSA offices are using Microsoft Teams software to virtually meet with producers to review maps and documents for certification. Producers who want to schedule a virtual appointment can download the Microsoft Teams app on their smart phone or tablet and call the FSA office for an appointment. You can also use Microsoft Teams from your personal computer without downloading software.

FSA county offices in North Carolina provided maps to producers along with instructions for completing and returning the maps through either mail, email or through commercially available free and secure online tools such as Box for file sharing and OneSpan for eSignature solutions. After planting is complete, producers must return the signed form certifying their acreage report to the

FSA office through mail, email or the Box and OneSpan tools by the acreage reporting date above for the applicable crops.

After completed maps and all acreage reporting information is received, FSA will make software updates and send producers the completed *Report of Acreage* form (FSA-578) to sign. Producers must return the signed form certifying their acreage report to the FSA office through mail, email, or Box.

The following exceptions apply to acreage reporting dates:

- If the crop has not been planted by the acreage reporting date, the acreage must be reported no later than 15 calendar days after planting is completed.
- If a producer has not timely filed an acreage report, the producer may file the acreage report within 30 days of the acreage reporting date. Because of the pandemic, late fees will be waived if filed within the 30 days.

For questions, contact your local USDA Service Center or visit fsa.usda.gov/nc.

Selected Interest Rates for July 2020

90 Day Treasury Bill	0.125%
Farm Operating loans - Direct	1.375%
Farm Ownership Loans - Direct	2.25%
Farm Ownership Loans - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency Loans	2.375%
Farm Storage Facility Loans (years)	0.500%

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).