

January 2020



Farm Service Agency **Electronic News Service**

NEWSLETTER

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Having trouble viewing this email? [View it as a Web page.](#)

- [2020 Acreage Reporting Dates](#)
- [FSA Can Help with On-Farm Propane Storage](#)
- [Submit Loan Requests for Financing Early](#)
- [USDA Offers Disaster Assistance for North Carolina Farmers Hurt by 2018 and 2019 Disasters](#)
- [USDA Announces Signup for Conservation Reserve Program](#)
- [USDA Safety Net Program Enrollment for 2019 and 2020](#)
- [Update Your Records](#)
- [USDA Announces Buy-Up Coverage Availability and New Service Fees for Noninsured Crop Coverage Policies](#)
- [USDA Swine Study for Small and Large Enterprises](#)
- [Selected Interest Rates for January 2020](#)

North Carolina FSA Newsletter

North Carolina Farm Service Agency

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State Executive Director:
Len McBride

State Committee:
Alice Scott, Chair
Jeffery Lee

2020 Acreage Reporting Dates

If you have crops covered under NAP that are not specifically listed below the crop reporting date is the earlier of the date listed on the National Crop Table (NCT) or 15 days before harvest begins.

Crops not covered under NAP and not specifically listed below have a reporting date of July 15th or within 15 days of planting if planted after July 15th.

2020 Crop Reporting Dates

September 30, 2019

Aquaculture, Grass Sod, All
Other Value Loss Crops

November 15, 2019

Clary Sage

| | | |
|--|--------------------|--|
| Nathan Ramsey Richard | January 2, 2020 | Honey/Apiculture |
| Renegar Jeff Tyson | January 15, 2020 | Apples, Barley, Blueberries, Canola, Grapes, Oats, Peaches, Rapeseed, Wheat and all fall seeded small grains |
| Division Chiefs | | |
| Administrative Officer: Tracie Jones | May 1, 2020 | Nursery |
| | May 15, 2020 | Cabbage PP1, Beans PP1, Potatoes, Strawberries |
| Chief Farm Programs: Rob Satterfield | 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 |
| Chief Farm Loan Programs: Paula Nicholls | | |
| Chief Price Support Division: Vacant | September 15, 2020 | Cabbage PP2, Beans PP2 |

**Public Affairs/Outreach
Specialist:**
Alicia Best

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

DATES TO REMEMBER:
January 20, 2020 - Martin
Luther King Jr. Holiday
(Offices Closed)

Late Filed Crop Reports (2-CP paragraph 21)

Late filed crop reports may be taken through the next year's
acreage reporting date for the crop when all of the following apply:

1. The producer pays a late fee. a. See 2-CP paragraph 460
for calculating late fees. The STC has determined we will
use method 2. b. See 2-CP paragraph 21D for the COC
authority to waive late fees. 2. Physical existence of the
crop or crop residue exists. a. See paragraph 21A for an
exception when RMA data can be used when physical
evidence does not exist. 3. The crops use can be verified.
4. The crop's acreage can be verified.

FSA Can Help with On-Farm Propane Storage

Winter months in North Carolina can be long and cold. For several
years, farmers have faced propane storage shortages. FSA's [Farm
Storage Facility Loan \(FSFL\) program](#) provides funding for on-farm
liquified petroleum tanks.

FSFL low-interest financing can be used to build or upgrade
storage facilities and to purchase portable (new or used) structures,
equipment, storage and handling trucks. Liquified petroleum tanks
are covered for eligible commodities for the use of fuel for grain
dryer equipment.

Loans up to \$50,000 can be secured by a promissory note/security
agreement. Loans exceeding \$100,000 require additional security.

Producers 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 conventional operations, small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

To learn more about FSFLs and how these loans can help with your on-site propane tank storage needs, contact your local FSA county office.

Submit Loan Requests for Financing Early

The Farm Loan team is already working on operating loans for spring 2020 so it is important that potential borrowers submit their requests early so they can be timely processed. The farm loan team can help determine which loan programs are best for applicants.

FSA offers a wide range of low-interest loans that can meet the financial needs of any farm operation for just about any purpose. The traditional **farm operating and farm ownership loans** can help large and small farm operations take advantage of early purchasing discounts for spring inputs as well expenses throughout the year.

Microloans are a simplified loan program that will provide up to \$50,000 for both Farm Ownership and Operating Microloans to eligible applicants. These loans, targeted for smaller operations and non-traditional operations, can be used for operating expenses, starting a new agricultural enterprise, purchasing equipment, and other needs associated with a farming operation. The staff at your local County FSA office can provide more details on farm operating and microloans and provide loan applications. Loans to beginning farmers and members of underserved groups are a priority.

Other types of loans available include:

Marketing Assistance Loans allow producers to use eligible commodities as loan collateral and obtain a 9-month loan while the crop is in storage. These loans provide cash flow to the producer and allow them to market the crop when prices may be more advantageous.

Farm Storage Facility Loans can be used to build permanent structures used to store eligible commodities, or for storage and handling trucks, or portable or permanent handling equipment. A variety of structures are eligible under this loan, including bunker silos, grain bins, hay storage structures and refrigerated structures for vegetables and fruit. A producer may borrow up to \$500,000 per loan.

Please call your local FSA County office if you have questions about any of the loans available through FSA.

USDA Offers Disaster Assistance for North Carolina Farmers Hurt by 2018 and 2019 Disasters

Agricultural producers affected by natural disasters in 2018 and 2019, including Hurricane Dorian, can apply through the Wildfire and Hurricane Indemnity Program Plus (WHIP+). Sign-up for this U.S. Department of Agriculture (USDA) program began Sept. 11.

WHIP+ Eligibility

WHIP+ will be available for eligible producers who have suffered eligible losses of certain crops, trees, bushes or vines in counties with a Presidential Emergency Disaster Declaration or a Secretarial Disaster Designation (primary counties only). Disaster losses must have been a result of hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms or wildfires that occurred in 2018 or 2019. Also, producers in counties that did not receive a disaster declaration or designation may still apply for WHIP+ but must provide supporting documentation to establish that the crops were directly affected by a qualifying disaster loss.

A list of counties that received qualifying disaster declarations and designations is available at farmers.gov/recover/whip-plus. Because grazing and livestock losses, other than milk losses, are covered by other disaster recovery programs offered through FSA, those losses are not eligible for WHIP+.

Eligible crops include those for which federal crop insurance or Noninsured Crop Disaster Assistance Program (NAP) coverage is available, excluding crops intended for grazing. A list of crops covered by crop insurance is available through USDA's Risk Management Agency (RMA) Actuarial Information Browser at webapp.rma.usda.gov/apps/actuarialinformationbrowser.

The WHIP+ payment factor ranges from 75 percent to 95 percent, depending on the level of crop insurance coverage or NAP coverage that a producer obtained for the crop. Producers who did not insure their crops in 2018 or 2019 will receive 70 percent of the expected value of the crop. Insured crops (either crop insurance or NAP coverage) will receive between 75 percent and 95 percent of expected value; those who purchased the highest levels of coverage will receive 95-percent of the expected value.

At the time of sign-up, producers will be asked to provide verifiable and reliable production records. If a producer is unable to provide production records, WHIP+ payments will be determined based on the lower of either the actual loss certified by the producer and determined acceptable by FSA or the county expected yield and county disaster yield. The county disaster yield is the production that a producer would have been expected to make based on the eligible disaster conditions in the county.

WHIP+ payments for 2018 disasters will be eligible for 100 percent of their calculated value. WHIP+ payments for 2019 disasters will be limited to an initial 50 percent of their calculated value, with an opportunity to receive up to the remaining 50 percent after January 1, 2020, if sufficient funding remains.

Both insured and uninsured producers are eligible to apply for WHIP+. But all producers receiving WHIP+ payments will be required to purchase crop insurance or NAP, at the 60 percent coverage level or higher, for the next two available, consecutive crop years after the crop year for which WHIP+ payments were paid. Producers who fail to purchase crop insurance for the next two applicable, consecutive years will be required to pay back the WHIP+ payment.

Additional information about WHIP+ program eligibility and payment limitations can be found at farmers.gov/recover or by contacting your local [USDA Service Center](#).

Additional Loss Coverage

The Milk Loss Program will provide payments to eligible dairy operations for milk that was dumped or removed without compensation from the commercial milk market because of a qualifying 2018 and 2019 natural disaster. Producers who suffered losses of harvested commodities, including hay, stored in on-farm structures in 2018 and 2019 will receive assistance through the On-Farm Storage Loss Program.

Additionally, producers with trees, bushes or vines can receive both cost-share assistance through FSA's Tree Assistance Program (TAP) for the cost of replanting and rehabilitating eligible trees and WHIP+ will provide payments based on the loss value of the tree, bush or vine itself. Therefore, eligible producers may receive both a TAP and a 2017 WHIP or WHIP+ payment for the same acreage. In addition, TAP policy has been updated to assist eligible orchardists or nursery tree growers of pecan trees with a tree mortality rate that exceeds 7.5 percent (adjusted for normal mortality) but is less than 15 percent (adjusted for normal mortality) for losses incurred during 2018.

Additionally, the disaster relief measure expanded coverage of the 2017 WHIP to include peach and blueberry crop losses that resulted from extreme cold.

Prevented Planting

Agricultural producers faced significant challenges planting crops in 2019 in many parts of the country. All producers with flooding or excess moisture-related prevented planting insurance claims in calendar year 2019 will receive a prevented planting supplemental disaster ("bonus") payment equal to 10 percent of their prevented planting indemnity, plus an additional 5 percent will be provided to those who purchased harvest price option coverage.

As under 2017 WHIP, WHIP+ will provide prevented planting assistance to uninsured producers, NAP producers and producers who may have been prevented from planting an insured crop in the 2018 crop year and those 2019 crops that had a final planting date prior to January 1, 2019.

For more information on FSA disaster assistance programs, please contact your local [USDA service center](#) or visit farmers.gov/recover. For all available USDA disaster assistance programs, go to [USDA's disaster resources website](#).

USDA Announces Signup for Conservation Reserve Program

USDA opened signup for the Conservation Reserve Program (CRP) on December 9, 2019. The deadline for agricultural producers to sign up for general CRP is February 28, 2020, while signup for continuous CRP is ongoing.

Farmers and ranchers who enroll in CRP receive a yearly rental payment for voluntarily establishing long-term, resource-conserving plant species, such as approved grasses or trees (known as "covers") to control soil erosion, improve water quality and develop wildlife habitat on marginally productive agricultural lands.

CRP has 22 million acres enrolled, but the 2018 Farm Bill lifted the cap to 27 million acres. This means farmers and ranchers have a chance to enroll in CRP for the first time or continue their participation for another term.

By enrolling in CRP, producers are improving water quality, reducing soil erosion, and restoring habitat for wildlife. This in turn spurs hunting, fishing, recreation, tourism, and other economic development across rural America.

CRP Enrollment Options

General Signup

CRP general signup will be held annually. The competitive general signup will now include increased opportunities for enrollment of wildlife habitat through the State Acres For Wildlife Enhancement (SAFE) initiative.

Continuous Signup

While some practices under SAFE will remain available through continuous signup, CRP continuous signup will focus primarily on water quality with the Clean Lakes, Estuaries, and Rivers (CLEAR) Initiative. The 2018 Farm Bill prioritizes water quality practices such as contour grass strips, filter strips, riparian buffers, wetlands and a new prairie strip.

USDA will also be working with Conservation Reserve Enhancement Program (CREP) partners to relaunch CREP continuous options in each state under new statutory provisions. CREP will continue to target high-priority local, state or regional conservation concerns.

Grasslands Signups

CRP Grasslands signup helps landowners and operators protect grassland, including rangeland, and pastureland and certain other lands while maintaining the areas as grazing lands. A separate CRP Grasslands signup will be offered each year following general signup.

Pilot Programs

Later in 2020, (FSA will roll out pilot programs within CRP: CLEAR 30, which allows contracts expiring with CLEAR practices to be reenrolled in 30-year contracts and in the Soil Health and Income Protection Program (SHIPP) in the prairie pothole region. More information on these programs will be announced in the new year.

Land Transition

The CRP Transition Incentives Program (TIP) is an option for producers interested in transitioning land to a beginning farmer or rancher or a member of a socially disadvantaged group to return land to production for sustainable grazing or crop production. CRP contract holders no longer need to be a retired or retiring owner or operator to transition their land. TIP participants may have a lease less than five years with an option to purchase, and they have two years before the end of the CRP contract to make conservation and land improvements.

Previously Expired Land

Land enrolled in CRP under a 15-year contract that expired in September 2017, 2018 or 2019, may be eligible for enrollment if there was no opportunity for re-enrollment and the practice under the expired contract has been maintained.

CRP Rates and Payments

FSA recently posted updated soil rental rates for CRP. County average rates are posted on the [CRP Statistics webpage](#). Soil rental rates are statutorily prorated at 90 percent for continuous signup and 85 percent for general signup. The rental rates will be assessed annually. Under continuous signup, producers also receive incentives, including a signup incentive payment and a practice incentive payment.

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

USDA Safety Net Program Enrollment for 2019 and 2020

Agricultural producers now can enroll in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs – two U.S. Department of Agriculture (USDA) safety net programs – for the 2019 and 2020 crop year.

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. The 2018 Farm Bill reauthorized and updated both programs.

Signup for the 2019 crop year closes March 15, 2020, while signup for the 2020 crop year closes June 30, 2020. Producers who have not yet enrolled for 2019 can enroll for both 2019 and 2020 during the same visit to an FSA county office.

ARC and PLC have options for the farm operator who is actively farming the land as well as the owner of the land. Farm owners also have a one-time opportunity to update PLC payment yields beginning with crop year 2020. If the farm owner and producer visit the FSA county office together, FSA can also update yield information during that visit.

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.

2018 Crop Year ARC and PLC Payments

FSA began processing payments last week for 2018 ARC-County (ARC-CO) and PLC on covered commodities that met payment triggers on enrolled farms in the 2018 crop year. In addition to the \$1.5 billion now in process, FSA anticipates it will issue another \$1 billion in November once USDA's National Agricultural Statistics Service publishes additional commodity prices for the 2018 crop.

Producers who had 2018 covered commodities enrolled in ARC-CO can visit www.fsa.usda.gov/arc-plc for payment rates applicable to their county and each covered commodity. For farms and covered commodities enrolled in 2018 PLC, the following crops met payment triggers: barley, canola, corn, dry peas, grain sorghum, lentils, peanuts, large chickpeas, sunflower seed, flaxseed, rapeseed, seed cotton, long grain rice, medium/short grain rice and wheat.

Oats, small chickpeas, mustard seed, safflower, crambe, sesame seed and soybeans did not meet 2018 PLC payment triggers.

2018 PLC payment rates for the following covered commodities have not been determined: temperate Japonica rice.

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](#).

Update Your Records

FSA is cleaning up our producer record database. If you have any unreported changes of address, zip code, phone number, email address or an incorrect name or business name on file they need to be reported to our office. Changes in your farm operation, like the addition of a farm by lease or purchase, need to be reported to our office as well. Producers participating in FSA and NRCS programs are required to timely report changes in their farming operation to the County Committee in writing and update their CCC-902 Farm Operating Plan.

If you have any updates or corrections, please call your local FSA office to update your records.

USDA Announces Buy-Up Coverage Availability and New Service Fees for Noninsured Crop Coverage Policies

USDA's Farm Service Agency (FSA) announced that higher levels of coverage will be offered through the Noninsured Crop Disaster Assistance Program (NAP), a popular safety net program, beginning April 8, 2019. The 2018 Farm Bill also increased service fees and made other changes to the program, including service fee waivers for qualified military veterans interested in obtaining NAP coverage.

NAP provides financial assistance to producers of commercial crops for which insurance coverage is not available in order to protect against natural disasters that result in lower yields or crop losses, or prevent crop planting.

NAP Buy-Up Coverage Option

The 2018 Farm Bill reinstates higher levels of coverage, from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price. Producers of organics and crops marketed directly to consumers also may exercise the "buy-up" option to obtain NAP coverage of 100 percent of the average market price at the coverage levels of between 50 and 65 percent of expected production. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

Buy-up coverage is not available for crops intended for grazing.

NAP Service Fees

For all coverage levels, the new NAP service fee is the lesser of \$325 per crop or \$825 per producer per county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties. These amounts reflect a \$75 service fee increase for crop, county or multi-county coverage. The fee increases apply to obtaining NAP coverage on crops on or after April 8, 2019.

NAP Enhancements for Qualified Military Veterans

The 2018 Farm Bill NAP amendments specify that qualified veteran farmers or ranchers are now eligible for a service fee waiver and premium reduction, if the NAP applicant meets certain eligibility criteria.

Beginning, limited resource and targeted underserved farmers or ranchers remain eligible for a waiver of NAP service fees and premium reduction when they file form CCC-860, "*Socially Disadvantaged, Limited Resource and Beginning Farmer or Rancher Certification.*"

For NAP application, eligibility and related program information, visit www.fsa.usda.gov/nap or contact your local USDA Service Center. To locate your local FSA office, visit www.farmers.gov.

USDA Swine Study for Small and Large Enterprises

Starting in June 2020, the U.S. Department of Agriculture's (USDA) National Animal Health Monitoring System (NAHMS), in collaboration with the USDA's National Agricultural Statistics Service (NASS), will conduct national studies of U.S. small and large enterprise swine operations.

North Carolina producers are included in these studies, which take an in-depth look at small (fewer than 1,000 pigs) and large (1,000 or more pigs) U.S. swine operations and provide information regarding health and management practices to the U.S. swine industry. Information collected will be used to inform disease management and preparedness strategies to safeguard the swine industry.

Large Enterprise Study (1,000 or more pigs)

Representatives from NASS will visit participating operations from July through August 2020 to complete a questionnaire. If you choose to continue in the study, USDA or state veterinary health professionals will visit you from September 2020 through January 2021 to complete a second questionnaire and discuss free biologic testing (oral fluids and feces).

Approximately 2,700 operations will be selected from 13 of the Nation's top swine-producing states representing about 90 percent of the U.S. swine operations with 1,000 or more pigs.

Small Enterprise Study (Fewer than 1,000 pigs)

In June 2020, selected producers will be mailed a letter describing the study and be provided with a questionnaire to complete and return. Producers who don't respond to the questionnaire will be called by a NASS representative to arrange a convenient time to complete the questionnaire via a telephone interview.

Approximately 5,000 swine operations from 38 states will be asked to participate in the study. These states account for about 95 percent of U.S. swine operations with fewer than 1,000 pigs.

Participation in any NAHMS study is voluntary. The privacy of every questionnaire participant is protected. Data will only be presented in an aggregate or summary manner.

For more information, please contact Charles Haley at 970-494-7216 or charles.a.haley@aphis.usda.gov.

Selected Interest Rates for January 2020

| | |
|--|--------|
| 90-Day Treasury Bill | 1.625% |
| Farm Operating Loans - Direct | 3.25% |
| Farm Ownership Loans - Direct Down Payment, Beginning Farmer or Rancher | 1.50% |
| Emergency Loans | 3.625% |
| Farm Storage Facility Loans (7 years) | 1.750% |
| Commodity Loans 1996 - Present | 1.500% |

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).