USDA Improves Access to Capital for Tribal Farmlands with Multiple Owners

New Program Allows More Farm Loans for “Highly Fractionated” Tribal Land

USDA is expanding the availability of farm loans for Indian tribes and members to purchase tribal farmland that has multiple owners. The improved lending opportunities allow USDA to provide revolving loan funds to qualified intermediary lenders that can re lend the funds to qualified tribes and individuals.

USDA is able to implement a solution to a longstanding barrier to financing, which will increase the availability of farm loans to Native Americans who want to start or expand a farming or ranching operation on Indian lands.

Under the 1887 Dawes Act, Indian reservation land was divided and allotted to individual tribal members such that with the passing of each generation, title ownership was divided and parcelled among heirs, while the land was not. As a result, land once owned by a single person could today be owned by hundreds or thousands of individuals, resulting in what is known as “highly fractionated Indian land.” In many instances, landowners are unknown or cannot be located, which complicates the coordination of ownership or
Chief Farm Programs: Rob Satterfield
Chief Farm Loan Programs: Paula Nicholls
Chief Price Support Division: James Davis
Interim Public Affairs/Outreach Specialist: Alicia Best

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

February 15, 2021 - President's Day Holiday
February is National Black History Month

USDA Offers New Forest Management Incentive for Conservation Reserve Program

The U.S. Department of Agriculture (USDA) is making available $12 million for use in making payments to forest landowners with land enrolled in the Conservation Reserve Program (CRP) in exchange for their implementing healthy forest management practices. Existing CRP participants can now sign up for the Forest Management Incentive (FMI), which provides financial incentives to landowners with land in CRP to encourage proper tree thinning and other practices.

Right now, less than 10% of land currently enrolled in CRP is dedicated to forestland. But, these nearly 2 million acres of CRP forestland, if properly managed, can have enormous benefits for natural resources by reducing soil erosion, protecting water quality, increasing water quantity, and diversifying local farm operations and rural economies.

Only landowners and agricultural producers with active CRP contracts involving forest cover can enroll. However, this does not include active CRP contracts that expire within two years. Existing CRP participants interested in tree thinning and prescribed burning must comply with the standards and specifications established in their CRP contract.

CRP participants will receive the incentive payment once tree thinning and/or other authorized forest management practices are completed.

The incentive payment is the lower of:

- The actual cost of completing the practice; or
- 75% of the payment rate offered by USDA’s Natural Resources Conservation Service (NRCS) if the practice is offered through NRCS conservation programs.
CRP signup is currently open. FSA will announce deadline later this year. Interested producers should contact their local FSA county office.

Farm Service Agency Reopens Emergency Forest Restoration Program Application Period

U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) in North Carolina announced that counties are accepting applications for the Emergency Forest Restoration Program (EFRP) to address damages from Hurricane Michael that occurred in 2018. The EFRP sign-up period reopened on Jan. 19, 2021 and ends on March 11, 2021.

EFRP provides payments to eligible owners of nonindustrial private forest (NIPF) land to restore land damaged by a natural disaster. Before an application for EFRP assistance is approved, an onsite inspection of the damages by FSA, in cooperation with a state forester, is required to verify the damages from Hurricane Michael.

Counties that received presidential disaster designations following Hurricane Michael will be eligible. Foresters in Alamance, Alexander, Brunswick, Caswell, Chatham, Dare, Davie, Davidson, Forsyth, Granville, Hyde, Iredell, McDowell, Montgomery, Orange, Person, Randolph, Rockingham, Stokes, Surry and Yadkin counties can apply for EFRP cost-share assistance through their local USDA Service Center.

To meet eligibility requirements, NIPF land must have existing tree cover or had tree cover immediately before Hurricane Michael occurred and be sustainable for growing trees. The land must also be owned by any nonindustrial private individual, group, association, corporation or other private legal entity that has definitive decision-making authority over the land.

For more information on EFRP, please contact your local FSA county office or visit https://www.farmers.gov/recover. To find your local office, visit farmers.gov/service-center-locator.

USDA Extends General Signup for Conservation Reserve Program

The U.S. Department of Agriculture (USDA) is extending the Conservation Reserve Program (CRP) General Signup period, which had previously been announced as ending on Feb. 12, 2021. USDA will continue to accept offers as it takes this opportunity for the incoming Administration to evaluate ways to increase enrollment. Under the previous Administration, incentives and rental payment rates were reduced resulting in an enrollment shortfall of over 4 million acres. The program, administered by USDA’s Farm Service Agency (FSA), provides annual rental payments for 10 to 15 years for land devoted to conservation purposes, as well as other types of payments.

Before the General CRP signup period ends, producers will have the opportunity to adjust or resubmit their offers to take advantage of planned improvements to the program.

As one of the largest private-lands conservation programs in the United States, CRP provides both economic and conservation benefits by taking land out of agricultural production. Program successes include:

- Sequestering in soils and plants over 12 million metric tons of carbon dioxide equivalent (CO₂e), or about the same amount that the entire state of Delaware emits annually.
- Preventing more than 2 billion tons of soil from being blown away by wind erosion over the life of currently enrolled acres.
• Reducing phosphorous reaching streams by almost 85 million pounds, nitrogen by nearly 450 million pounds, and sediment by over 160 million tons in 2020 alone.
• Creating more than 2.3 million acres of restored wetlands while protecting more than 177,000 stream miles with riparian forest and grass buffers, enough to go around the world seven times.
• Establishing over a half million acres of dedicated pollinator habitat and nearly 15 million more acres of diverse plantings that provide forage for pollinators.
• Increasing populations of ducks and other game birds, prairie chickens, and such grassland songbirds as Baird’s Sparrow. CRP in the Northern Great Plains supports an estimated 8.6% of the grassland bird population.
• Increasing habitat that supports economic opportunities, such as job creation, related to hunting and fishing activities. This signup for CRP gives producers an opportunity to enroll land for the first time or re-enroll land under existing contracts that will be expiring Sept. 30, 2021. All interested producers, including those on Indian reservations and with trust lands, are encouraged to contact their local USDA Service Center for more information.

March 15 Last Day to Complete Enrollment for 2021 Agriculture Risk Coverage, Price Loss Coverage Programs

Agricultural producers who have not yet enrolled in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs for 2021 must do so by March 15. Producers who have not yet signed a 2021 enrollment contract or who want to make an election change should contact their local USDA Farm Service Agency (FSA) office to make an appointment. Program enrollment for 2021 is required in order to participate in the programs, but elections for the 2021 crop year are optional and otherwise remain the same as elections made for 2020.

ARC and PLC provide income support to farmers from substantial drops in crop prices or revenues and are vital economic safety nets for most American farms.

Although 1,033,310 contracts have been completed to date, this represents less than 59% of the more than 1.7 million contracts anticipated by the Agency. By enrolling soon, producers can beat the rush as the deadline nears.

Producers who do not complete enrollment by close of business local time on Monday, March 15 will not be enrolled in ARC or PLC for the 2021 crop year and will be ineligible to receive a payment should one trigger for an eligible crop.

ARC and PLC contracts can be emailed, faxed or physically signed and mailed back to FSA. Producers with level 2 eauthentication access can electronically sign contracts. Service Center staff can also work with producers to sign and securely transmit contracts electronically through two commercially available tools: Box and OneSpan. You can learn more about these solutions at farmers.gov/mydocs. Producers may also make arrangements to drop off signed contracts at the FSA county office. Please call ahead for local mailing or drop off information and options for submitting signed contracts electronically.

Producers are eligible to enroll on farms with base acres for the following commodities: 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.

**Yield Data and Web-Based Decision Tools Available**

FSA recently updated the annual and benchmark yields for ARC/PLC program years 2019, 2020 and 2021. This data is useful to producer in choosing to participate in either ARC or PLC.

For added assistance with ARC and PLC decisions, USDA partnered with the University of Illinois and Texas A&M University to 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 that allow producers to analyze payment yield updates and expected payments for 2019 and 2020. Producers who have used the tool in the past should see their username and much of their farm data will already be available in the system.

**Crop Insurance Considerations**

Producers are reminded that enrolling in ARC or PLC programs can impact eligibility for some crop insurance products. Producers who elect and enroll in PLC also have the option of purchasing Supplemental Coverage Option (SCO) through their Approved Insurance Provider. Producers of covered commodities who elect ARC are ineligible for SCO on their planted acres.

Unlike SCO, RMA’s Enhanced Coverage Option (ECO) is unaffected by participating in ARC for the same crop, on the same acres. You may elect ECO regardless of your farm program election.

Upland cotton farmers who choose to enroll seed cotton base acres in ARC or PLC are ineligible for the stacked income protection plan (STAX) on their planted cotton acres.

**More Information**

For more information on ARC and PLC including web-based decision tools, visit [farmers.gov/arc-plc](http://farmers.gov/arc-plc).

All USDA Service Centers are open for business, including those that restrict in-person visits or require appointments. All Service Center visitors wishing to conduct business with NRCS, Farm Service Agency, 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 are also required to wear a face covering during their appointment. Our program delivery staff will continue to work with our producers by phone, email, and using online tools. More information can be found at [farmers.gov/coronavirus](http://farmers.gov/coronavirus).

Visit [farmers.gov/service-center-locator](http://farmers.gov/service-center-locator) to find location and contact information for the nearest FSA county office.
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) announced that signup for the Quality Loss Adjustment (QLA) Program began 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 federal crop insurance or Noninsured Crop Disaster Assistance Program (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 farmers.gov/quality-loss, or contact your local USDA Service Center. Producers can also obtain one-on-one support with applications by calling 877-508-8364.

Selected Interest Rates for February 2021

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>90-Day Treasury Bill</td>
<td>0.125%</td>
</tr>
<tr>
<td>Farm Operating Loans - Direct</td>
<td>1.375%</td>
</tr>
<tr>
<td>Farm Ownership Loans - Direct</td>
<td>2.625%</td>
</tr>
<tr>
<td>Farm Ownership Loans - Direct Down Payment,</td>
<td>1.500%</td>
</tr>
<tr>
<td>Beginning Farmer or Rancher</td>
<td></td>
</tr>
<tr>
<td>Emergency Loans</td>
<td>2.375%</td>
</tr>
<tr>
<td>Farm Storage Facility Loans (7 years)</td>
<td>0.750%</td>
</tr>
<tr>
<td>Commodity Loans 1996 - Present</td>
<td>0.125%</td>
</tr>
</tbody>
</table>

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).