

July 2020



### Farm Service Agency Electronic News Service

# NEWSLETTER

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### **Oregon FSA Newsletter**

## State Farm Service Agency

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### Acting State Executive Director (SED): Josh Hanning, Phone: 541-207-2904

#### State Committee:

Anna Sullivan, Chair Sam Asai, Member Phil Hassinger, Member

### A Message from our Acting SED

It looks like summer has finally arrived in Oregon, although the drought monitor indicates most of Oregon is abnormally dry due to the lack of precipitation during the winter and spring.

I am honored to be the Acting State Executive Director and to work with the dedicated employees and agricultural producers across the state. I sincerely appreciate this opportunity and do not take it lightly. I have been with the Farm Service Agency for over 20 years and I am also the District 2 Director, covering central and northeastern Oregon. My wife and I, along with our three children, own and operate a commercial cow/calf herd and small wheat ranch.

Currently, offices around the state are busy implementing the Coronavirus Food Assistance Program (CFAP). To date, Oregon has issued over 47 million dollars in CFAP payments to the farmers and ranchers of Oregon. Of course, CFAP is just one of the many Farm Programs the FSA employees are working on. Our Farm Loan teams are also busy serving our producers across the state. I TJ Hansell, Member Denver Pugh, Member

Administration: Martin Nguyen, Administrative Officer

Farm Programs: Kent Willett, Acting Chief

Farm Loan Programs: Kathey Brucker, Chief

Next STC Meeting: September 23, 2020

Sign up for important text message alerts from your local county FSA office! To subscribe, text FSANOW (372-669). am very impressed with the level of customer service the offices provide to the agriculture producers of Oregon during these unprecedented times. We truly appreciate your patience as we work through the state's re-opening phases. We are committed to deliver FSA programs to the best of our abilities.

Josh Hanning

### **Interest Rates**

Farm Operating Loans - Direct: 1.375% Farm Operating - Microloan: 1.375% Farm Ownership Loans-Direct: 2.250% Farm Ownership - Microloan: 2.250% Farm Ownership - Direct, Joint Financing: 2.500% Farm Ownership-Down Payment: 1.500% Emergency Loans Actual Loss: 2.375% Farm Storage Facility Loan 3 Year: 0.250% Farm Storage Facility Loan 5 Year: 0.375% Farm Storage Facility Loan 7 Year: 0.500% Farm Storage Facility Loan 10 Year: 0.750% Farm Storage Facility Loan 12 Year: 0.875%

### **Important Dates**

- **Applications accepted for WHIP+** for milk loss, and loss of on-farm stored commodities resulting from eligible disaster (into 2020).
- July 15: Acreage Reporting Deadline: Perennial Forage for 2019 and subsequent years (August 14 to report without late-filing fees).
- July 15: Spring Alfalfa Seed, Cabbage (Planted 4/21 6/10); Onions (Planted 2/15 5/15); Perennial Forage; All other crops not listed.
- July 15: Report 2019 Yields for Crops Enrolled in ARC-IC.
- **August 1:** COC Nomination Forms Due at the local USDA Service Center. (*Since Aug. 1 falls on a weekend this year, nomination forms will be accepted through Aug. 3, 2020).*
- August 15: Cabbage (Planted 6/11-8/10).
- August 28: CFAP Applications Due.
- **October 13:** 2021 Dairy Margin Coverage (DMC) signup begins, through December 11, 2020.

## Eligibility for Nominations for the 2020 County Committee Elections

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) county committees are a critical component of the day-to-day operations of FSA and allow grassroots input and local administration of federal farm programs.

Committees are comprised of locally elected agricultural producers responsible for the fair and equitable administration of FSA farm programs in their counties. Committee members are accountable to the Secretary of Agriculture. If elected, members become part of a local decision making and farm program delivery process.

A county committee is composed of three to 11 elected members from local administrative areas (LAA). Each member serves a three-year term. To be eligible for nomination and hold office as a committee member or alternate, a person must fulfill each of the following requirements: (1) be a producer with an interest in farming or ranching operations, (2) participate or cooperate in any FSA program provided for by law, (3) be a U.S. citizen, (4) be of legal voting age, (5) meet the basic eligibility requirements, and (6) reside in the county or multi-county jurisdiction in which they will be serving.

All nomination forms for the 2020 election must be postmarked or received in the local USDA Service Center by Aug. 1, 2020 (or next business day). For more information on FSA county committee elections and appointments, refer to the FSA fact sheet: *Eligibility to Vote and Hold Office as a COC Member* available online at: <u>fsa.usda.gov/elections</u>.

### **Report 2019 Yields for Crops Enrolled in ARC-IC – Deadline** July 15

Producers who elected ARC-IC on one or more farms must certify crop yields for all planted covered commodities on the(all) enrolled ARC-IC farm(s) to be eligible for any potential payment. 2019 actual yields are required to calculate the 2019 guarantee and actual revenue. If the 2019 actual revenue is less than the 2019 guarantee, the ARC-IC farm may be eligible for a 2019 ARC-IC payment.

All 2019 yields for all covered crops planted are to be reported and certified on FSA form <u>CCC-863</u> along with the yields of the five historical benchmark years of 2013-2017. Additionally, since the 2018 yield for all covered commodities planted on the ARC-IC farm will be required for the 2020 contract year, producers may report that yield at the same time. 2019 actual crop yields for ARC-IC calculations are required to be reported to FSA by July 15, 2020.

More information on the ARC-IC program can be found in the Appendix to the contract.

### **USDA Offers Wildfire Recovery Assistance**

USDA's Farm Service Agency (FSA) offers disaster assistance and low-interest loan programs to assist agricultural producers in their recovery efforts following wildfires or other qualifying natural disasters.

Available programs and loans include:

- Non-Insured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occur due to natural disasters including excessive wind and qualifying drought (includes native grass for grazing). Eligible producers must have purchased NAP coverage for 2019 crops. A notice of loss must be filed the earlier of 15 days of the occurrence of the disaster or when losses become apparent or 15 days of the final harvest date.
- Livestock Indemnity Program (LIP) offers payments to eligible producers for livestock death losses in excess of normal mortality due to adverse weather. Eligible losses may include those determined by FSA to have been caused by wildfires, hurricanes, floods, blizzards, tropical storms, tornados, lightning, extreme heat, and extreme cold. Producers will be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to their local FSA office within 30 calendar days of when the loss of livestock is apparent.
- Tree Assistance Program (TAP) provides assistance to eligible orchardists and nursery tree growers for qualifying tree, shrub and vine losses due to natural disasters including excessive wind and qualifying drought.

- Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) provides emergency relief for losses due to feed or water shortages, disease, adverse weather, or other conditions, which are not adequately addressed by other disaster programs. ELAP covers physically damaged or destroyed livestock feed that was purchased or mechanically harvested forage or feedstuffs intended for use as feed for the producer's eligible livestock. In order to be considered eligible, harvested forage must be baled; forage that is only cut, raked or windrowed is not eligible. ELAP also covers up to 180 lost grazing days in instances when a producer has been forced to remove livestock from a grazing pasture due to wildfire and for beekeepers, ELAP covers beehive losses (the physical structure) in instances where the hive has been destroyed by a natural disaster including flooding, high winds and tornadoes. Producers must submit a notice of loss to their local FSA office within 30 calendar days of when the loss is apparent. For honeybee losses, producers must notify FSA within 15 calendar days of when a loss occurs or from when the loss is apparent.
- Emergency Loan Program available to producers with agriculture operations located in a county under a primary or contiguous Presidential or Secretarial disaster designation. These low interest loans help producers recover from production and physical losses.
- **Emergency Conservation Program (ECP)** provides emergency funding for farmers and ranchers to rehabilitate land severely damaged by natural disasters; includes fence loss.

For more information on these programs, visit <u>www.fsa.usda.gov/disaster</u> or contact your local FSA office.

### How to Document Wildfire Losses

Producers who suffered excessive livestock death losses and grazing or feed losses due to recent wildfires may be eligible for disaster assistance programs through the USDA Farm Service Agency (FSA).

The Livestock Indemnity Program (LIP) offers payments to eligible producers for livestock death losses in excess of normal mortality due to adverse weather and the Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) provides emergency relief for losses due to feed or water shortages, disease, adverse weather, or other conditions, which are not adequately addressed by other disaster programs.

To participate in LIP, producers will be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to their local FSA office within 30 calendar days of when the loss of livestock is apparent. To participate in ELAP, producers must submit a notice of loss to their local FSA office within 30 calendar days of when the loss is apparent and should maintain documentation and receipts.

Producers should record all pertinent information regarding livestock losses due to the eligible adverse weather or loss condition, including:

- Documentation of the number, kind, type, and weight range of livestock that have died, supplemented if possible by photographs or video records of ownership and losses;
- Rendering truck receipts by kind, type and weight important to document prior to disposal;
- Beginning inventory supported by birth recordings or purchase receipts;
- Documentation from Animal Plant Health Inspection Service, Department of Natural Resources, or other sources to substantiate eligible death losses due to an eligible loss condition;
- Documentation that livestock were removed from grazing pastures due to an eligible adverse weather or loss condition;
- Costs of transporting livestock feed to eligible livestock, such as receipts for equipment rental fees for hay lifts and snow removal;
- Feed purchase receipts if feed supplies or grazing pastures are destroyed;

• Number of gallons of water transported to livestock due to water shortages.

For more information on these programs and documentation requirements, visit <u>www.fsa.usda.gov/disaster</u> or contact your local FSA office.

### USDA Offers Drought Impacted State Farmers and Ranchers Immediate Disaster Assistance

Farm Service Agency Stands Ready to Assist Agricultural Producers Affected by Drought

Oregon Farm Service Agency (FSA) reminds farmers and ranchers of federal farm program benefits that may be available to help eligible producers recover from drought.

FSA offers disaster assistance and low-interest loan programs to assist agricultural producers in their recovery efforts during drought or similar qualifying natural disasters. Available programs and loans include:

- Non-Insured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occur due to natural disasters (includes native grass for grazing). Eligible producers must have purchased NAP coverage for 2019 crops.
- Livestock Forage Disaster Program (LFP) provides compensation to eligible livestock producers who suffered grazing losses for covered livestock due to drought on privately owned or cash leased land or if a federal agency prohibits producers from grazing normally permitted livestock on federally managed lands due to qualifying fire. Producers must provide a completed application for payment and required supporting documentation to their FSA office within 30 calendar days after the end of the calendar year in which the grazing loss occurred.
- Livestock Indemnity Program (LIP) LIP provides benefits to livestock producers for livestock deaths in excess of normal mortality caused by eligible adverse weather conditions. Drought is not an eligible adverse weather event, except when associated with anthrax, a condition that occurs because of drought and directly results in the death of eligible livestock. Producers must submit a notice of loss within 30 days after the death is first apparent.
- Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) provides emergency relief for losses due to feed or water shortages, disease, adverse weather, or other conditions, which are not adequately addressed by other disaster programs. Producers must submit a notice of loss to their local FSA office within 30 calendar days of when the loss is apparent.
- Emergency Loan Program Available to producers with agriculture operations located in a county under a primary or contiguous Secretarial Disaster designation. These low interest loans help producers recover from production and physical losses.
- Emergency Conservation Program (ECP) provides emergency funding for farmers and ranchers to rehabilitate land severely damaged by natural disasters and to implement emergency water conservation measures in periods of severe drought. Submit an application at your local FSA office.
- **Conservation Reserve Program (CRP) Emergency Grazing** authorized to provide relief to livestock producers in areas affected by a severe drought or similar natural disaster on qualifying CRP acres. Emergency authorization is provided by either a national FSA office authorization or by a state FSA committee determination utilizing the U.S. Drought Monitor.

To establish or retain FSA program eligibility, farmers and ranchers must report prevented planting and failed acres (crops and grasses). Prevented planting acreage must be reported on form *FSA-576, Notice of Loss*, no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA).

For more information on disaster assistance programs and loans visit <u>fsa.usda.gov/disaster</u> or contact your local FSA Office. To find your local FSA county office, visit <u>offices.usda.gov</u>.

### Filing CCC-941 Adjusted Gross Income (AGI) Certifications

Many producers have experienced delays in receiving Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments, Loan Deficiency Payments (LDPs) and Market Gains on Marketing Assistance Loans (MALs) because they have not filed form CCC-941, *Adjusted Gross Income Certification*. No program payment can be issued to an eligible producer, including landowners who share in the crop, without a valid CCC-941 on file in the county office.

Producers without a valid CCC-941 on file for the applicable crop year will not receive payments. All farm operator/tenants/owners who have not filed a CCC-941 and have pending payments should IMMEDIATELY file the form with their recording county FSA office. Farm operators and tenants are encouraged to ensure that their landowners have filed the form.

FSA can accept the CCC-941 for 2017, 2018, and 2019. Unlike the past, producers must have the CCC-941 certifying their AGI compliance before any payments can be issued.

### Report Noninsured Crop Disaster Assistance Program (NAP) Losses

The Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occur due to natural disasters including freeze, hail, excessive moisture, excessive wind or hurricanes, flood, excessive heat and qualifying drought (includes native grass for grazing), among others.

Eligible producers must have purchased NAP coverage for 2020 crops. A notice of loss must be filed the earlier of 15 days of the occurrence of the disaster or when losses become apparent or 15 days of the final harvest date.

Producers of hand-harvested crops and certain perishable crops must notify FSA within 72 hours of when a loss becomes apparent.

Eligible crops must be commercially produced agricultural commodities for which crop insurance is not available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

For more information on NAP, contact your local FSA office or visit fsa.usda.gov/nap.

### Preauthorized Debit Available for Farm Loan Borrowers

USDA Farm Service Agency (FSA) has implemented pre-authorized debit (PAD) for Farm Loan Program (FLP) borrowers. PAD is a voluntary and alternative method for making weekly, bi-weekly, monthly, quarterly, semi-annual or annual payments on loans.

PAD payments are pre-authorized transactions that allow the National Financial and Accounting Operations Center (NFAOC) to electronically collect loan payments from a customer's account at a financial institution.

PAD may be useful for borrowers who use nonfarm income from regular wages or salary to make payments on loans or adjustment offers or for payments from seasonal produce stands. PAD can only be established for future payments.

To request PAD, customers, along with their financial institution, must fill out form RD 3550-28. This form has no expiration date, but a separate form RD 3550-28 must be completed for each loan to which payments are to be applied. A fillable form can be accessed on the USDA Rural Development (RD) website at <u>rd.usda.gov/publications/regulations-guidelines</u>. Click forms and search for "Form 3550-28."

If you have a "filter" on the account at your financial institution, you will need to provide the financial institution with the following information: Origination ID: 1220040804, Agency Name: USDA RD DCFO.

PAD is offered by FSA at no cost. Check with your financial institution to discuss any potential cost. Preauthorized debit has no expiration date, but you can cancel at any time by submitting a written request to your local FSA office. If a preauthorized debit agreement receives three payment rejections within a three-month period, the preauthorized debt agreement will be cancelled by FSA. The payment amount and due date of your loan is not affected by a cancellation of preauthorized debit. You are responsible to ensure your full payment is made by the due date.

For more information about PAD, contact your local FSA office. To find a local FSA office, visit <u>offices.usda.gov</u>.

### USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning Farmers

The USDA Farm Service Agency (FSA) reminds producers that FSA offers targeted farm ownership and farm operating loans to assist underserved applicants as well as beginning farmers and ranchers.

USDA defines underserved applicants as a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. For farm loan program purposes, targeted underserved groups are women, African Americans, American Indians and Alaskan Natives, Hispanics and Asians and Pacific Islanders.

Underserved or beginning farmers and ranchers who cannot obtain commercial credit from a bank can apply for either FSA direct loans or guaranteed loans. Direct loans are made to applicants by FSA. Guaranteed loans are made by lending institutions who arrange for FSA to guarantee the loan. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. The FSA guarantee allows lenders to make agricultural credit available to producers who do not meet the lender's normal underwriting criteria.

The direct and guaranteed loan program provides for two types of loans: farm ownership loans and farm operating loans. In addition to customary farm operating and ownership loans, FSA now offers Microloans through the direct loan program. The focus of Microloans is on the financing needs of small, beginning farmer, niche and non-traditional farm operations. Microloans are available for both ownership and operating finance needs. To learn more about microloans, visit <u>fsa.usda.gov/microloans</u>.

To qualify as a beginning producer, the individual or entity must meet the eligibility requirements outlined for direct or guaranteed loans. Additionally, individuals and all entity members must have operated a farm for less than 10 years. Applicants must materially or substantially participate in the operation.

For more information on FSA's farm loan programs and targeted underserved and beginning farmer guidelines, visit <u>fsa.usda.gov/farmloans</u>.

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).





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