



Farm Service Agency Electronic News Service

NEWSLETTER

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Oregon FSA Newsletter

Oregon Farm Service Agency

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CFAP Application Deadline is Friday, Sept. 11

The U.S. Department of Agriculture (USDA) extended the deadline to apply for the program to September 11th, and producers with approved applications will receive their final payment. USDA also announced that additional commodities are covered by the Coronavirus Food Assistance Program (CFAP) in response to public comments and data. After reviewing over 1,700 responses, even more farmers and ranchers will have the opportunity for assistance to help keep operations afloat during these tough times.

Background:

USDA collected comments and supporting data for consideration of additional commodities through June 22, 2020. The following additional commodities are now eligible for CFAP:

• **Specialty Crops** - aloe leaves, bananas, batatas, bok choy, carambola (star fruit), cherimoya, chervil (french parsley), citron, curry leaves, daikon, dates, dill, donqua (winter melon), dragon fruit (red pitaya), endive, escarole,

Administration:

Martin Nguyen Administrative Officer

Farm Programs:

Jeremy Nalder, Chief

Farm Loan Programs: Kathey Brucker, Chief

Next STC Meeting: September 23, 2020

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filberts, frisee, horseradish, kohlrabi, kumquats, leeks, mamey sapote, maple sap (for maple syrup), mesculin mix, microgreens, nectarines, parsley, persimmons, plantains, pomegranates, pummelos, pumpkins, rutabagas, shallots, tangelos, turnips/celeriac, turmeric, upland/winter cress, water cress, yautia/malanga, and yuca/cassava.

- Non-Specialty Crops and Livestock liquid eggs, frozen eggs and all sheep. Only lambs and yearlings (sheep less than two years old) were previously eligible.
- Aquaculture catfish, crawfish, largemouth bass and carp sold live as foodfish, hybrid striped bass, red drum, salmon, sturgeon, tilapia, trout, ornamental/tropical fish, and recreational sportfish.
- Nursery Crops and Flowers nursery crops and cut flowers.

Other changes to CFAP include:

- Seven commodities onions (green), pistachios, peppermint, spearmint, walnuts and watermelons – are now eligible for Coronavirus Aid, Relief, and Economic Stability (CARES) Act funding for sales losses. Originally, these commodities were only eligible for payments on marketing adjustments.
- Correcting payment rates for onions (green), pistachios, peppermint, spearmint, walnuts, and watermelons.

Additional details can be found in the Federal Register in the Notice of Funding Availability and Final Rule Correction and at www.farmers.gov/cfap.

Producers Who Have Applied:

To ensure availability of funding, producers with approved applications initially received 80 percent of their payments. The Farm Service Agency (FSA) will automatically issue the remaining 20 percent of the calculated payment to eligible producers. Going forward, producers who apply for CFAP will receive 100 percent of their total payment, not to exceed the payment limit, when their applications are approved.

Applying for CFAP:

Producers, especially those who have not worked with FSA previously, are recommended to call 877-508-8364 to begin the application process. An FSA staff member can help producers start their application during the phone call.

On farmers.gov/cfap, producers can:

- Download the AD-3114 application form and manually complete the form to submit to their local USDA Service Center by mail, electronically or by hand delivery to their local office or office drop box.
- Complete the application form using the CFAP Application Generator and Payment Calculator. 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.
- If producers have login credentials known as eAuthentication, they can use the online CFAP Application Portal to certify eligible commodities online, digitally sign applications and submit directly to the 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.

Interest Rates

Farm Operating Loans - Direct: 1.250% Farm Operating - Microloan: 1.250% 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: 2.250% Farm Storage Facility Loan 3 Year: 0.125% Farm Storage Facility Loan 5 Year: 0.250% Farm Storage Facility Loan 7 Year: 0.500% Farm Storage Facility Loan 10 Year: 0.625% Farm Storage Facility Loan 12 Year: 0.750%

Important Dates

- Applications accepted for WHIP+ for milk loss, and loss of on-farm stored commodities resulting from eligible disaster (into 2020).
- Sept. 11: CFAP Applications Due
- Sept. 30: Deadline to request a PLC Yield Update
- October 2: Urban Ag Multnomah County COC Nominations Due (must be postmarked or received in the local FSA office).
- October 12: Columbus Day Holiday Offices Closed
- October 13: 2021 Dairy Margin Coverage (DMC) signup begins, through December 11, 2020.
- October 31: Applications due for OCCSP eligible certification expenses paid between Oct. 1, 2019, and Sept. 30, 2020.
- Nov. 2: COC Election ballots mailed to eligible voters.
- **Dec. 7:** Last day to return COC Election voted ballots to local USDA Service Centers.

FSA Outlines MAL and LDP Policy

The 2018 Farm Bill extends loan authority through 2023 for Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs).

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, rice, peanuts, cotton, wool and honey. MALs provide you with interim financing after harvest to help you meet cash flow needs without having to sell your commodities when market prices are typically at harvest-time lows. A producer who is eligible to obtain a loan,

but agrees to forgo the loan, may obtain an LDP if such a payment is available. Marketing loan provisions and LDPs are not available for sugar and extra-long staple cotton.

FSA is now accepting requests for 2019 MALs and LDPs for all eligible commodities after harvest. Requests for loans and LDPs shall be made on or before the final availability date for the respective commodities.

Commodity certificates are available to loan holders who have outstanding nonrecourse loans for wheat, upland cotton, rice, feed grains, pulse crops (dry peas, lentils, large and small chickpeas), peanuts, wool, soybeans and designated minor oilseeds. These certificates can be purchased at the posted county price (or adjusted world price or national posted price) for the quantity of commodity under loan, and must be immediately exchanged for the collateral, satisfying the loan. MALs redeemed with commodity certificates are not subject to Adjusted Gross Income provisions.

To be considered eligible for an LDP, you must have form CCC-633EZ, Page 1 on file at your local FSA Office before losing beneficial interest in the crop. Pages 2, 3 or 4 of the form must be submitted when payment is requested.

Marketing loan gains (MLGs) and loan deficiency payments (LDPs) are no longer subject to payment limitations, actively engaged in farming and cash-rent tenant rules.

Adjusted Gross Income (AGI) provisions state that if your total applicable three-year average AGI exceeds \$900,000, then you're not eligible to receive an MLG or LDP. You must have a valid CCC-941 on file to earn a market gain of LDP. The AGI does not apply to MALs redeemed with commodity certificate exchange.

For more information and additional eligibility requirements, contact your County <u>USDA Service</u> <u>Center or visit fsa.usda.gov</u>.

2019 and 2020 Average Adjusted Gross Income Compliance Reviews

The AGI verification and compliance reviews for 2019 and 2020 are conducted on producers who the IRS indicated may have exceeded the adjusted gross income limitations described in [7 CFR 1400.500]. Based on this review, producers will receive determinations of eligibility or ineligibility. The State FSA Office has begun notifying producers selected for review.

If it is determined that you have exceeded the average AGI limitation of \$900,000, receivables will be established for payments earned directly or indirectly by you subject to the \$900,000 limitation.

Payment eligibility adverse determinations become administratively final 30 days from the date of the payment eligibility adverse determination letter and can only be reopened if exceptional circumstances exist that prevented the producer from timely filing the appeal.

If you receive an initial debt notification letter, you may appeal the amount of the debt to your local FSA office. If you have any questions about the review process or determinations, please contact the Oregon FSA State Office at 503-692-3688.

USDA-NRCS to Invest up to \$360 Million in Partner-Driven Conservation

Application period has opened for the Regional Conservation Partnership Program

The USDA's Natural Resources Conservation Service (NRCS) invites potential conservation partners to submit project applications for federal funding through the Regional Conservation Partnership Program (RCPP).

NRCS will award up to \$360 million dollars nationally to locally driven, public-private partnerships. Some of these funds will be used in Oregon to improve water quality, combat drought, enhance soil health, support wildlife habitat and protect agricultural viability.

"RCPP brings an expanded approach to investing in natural resource conservation that empowers local communities to work with multiple partners and agricultural producers to design solutions that work best for them," said Ron Alvarado, State Conservationist in Oregon.

Partners may request between \$250,000 and \$10 million in RCPP funding through this funding announcement. Partners are expected to offer value-added contributions to amplify the impact of RCPP funding in an amount equal or greater to the NRCS investment.

Eligible lead partners are encouraged to apply. Partners are strongly encouraged to work with their local NRCS field office and Basin Team Leaders to draft proposals. In previous years, Oregon funded over 20 RCPP projects that address critical regional conservation issues. Learn more about Oregon RCPP here.

Funding is open to private industry, non-government organizations, Indian tribes, state and local governments, water districts and universities, among others. The full list of eligible entities is available in the RCPP funding announcement.

First authorized by the 2014 Farm Bill, RCPP has combined nearly \$1 billion in NRCS investments with close to \$2 billion in non-NRCS dollars to implement conservation practices across the nation. There are 336 active RCPP projects that have engaged more than 2,000 partners. Successful RCPP projects provide innovative conservation solutions, leverage partner contributions and offer impactful and measurable outcomes.

For Oregon, it is important to note that changes have been made to the <u>RCPP Critical Conservation Areas</u> and their associated priority resource concerns. This change occurred as a part of a review allowed by the Farm Bill once every five years. This funding announcement introduces the Western Waters CCA, which combines the California Bay-Delta and Columbia River Basin CCAs and encompasses the Klamath River Basin.

USDA is now accepting proposals for RCPP through the <u>RCPP portal</u>. Proposals are due by 11:59 p.m. Eastern Time on November 4, 2020. For more information, view the <u>Application for Program Funding on grants.gov</u>.

Visit the RCPP website for more information on how to participate.

USDA-RMA Extends Deadlines, Defers Interest Accrual Due to COVID-19

USDA's Risk Management Agency (RMA) announced it will authorize Approved Insurance Providers (AIPs) to extend deadlines for premium and administrative fee payments, defer the resulting interest accrual and allow other flexibilities to help farmers, ranchers, and insurance providers due to the COVID-19 pandemic.

USDA is authorizing AIPs to provide you additional time to pay premium and administrative fees and to waive accrual of interest to the earlier of 60 days after your scheduled payment due date or the termination date on policies with premium billing dates between August 1, 2020, and September 30, 2020. In addition, USDA is authorizing AIPs to provide up to an additional 60 days for you to

make payment and waive additional interest for Written Payment Agreements due between August 1, 2020, and September 30, 2020.

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

Report Banking Changes to FSA

Farm Service Agency (FSA) program payments are issued electronically into your bank account. In order to receive timely payments, you need to notify your FSA servicing office if you close your account or if your bank information is changed for any reason (such as your financial institution merging or being purchased). Payments can be delayed if FSA is not notified of changes to account and bank routing numbers.

For some programs, payments are not made until the following year. For example, payments for crop year 2019 through the Agriculture Risk Coverage and Price Loss Coverage program aren't paid until 2020. If the bank account was closed due to the death of an individual or dissolution of an entity or partnership before the payment was issued, please notify your local FSA office as soon as possible to claim your payment.

FSA Offers Loan Servicing Options

There are options for Farm Service Agency (FSA) 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 your options.

Supervised Credit from FSA

Farm Service Agency (FSA) farm loans are considered supervised credit. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Our goal is to help you graduate to commercial credit, and our farm loan staff is available to help borrowers through training and credit counseling.

The FSA team will help borrowers identify their goals to ensure financial success. FSA staff will advise borrowers on developing strategies and a plan to meet your goals and graduate to commercial credit. FSA borrowers are responsible for the success of their farming operation, but FSA staff will help in an advisory role, providing the tools necessary to help you achieve your operational goals and manage your finances.

For more information on FSA farm loan programs, contact your local County USDA Service Center at or visit fsa.usda.gov.

New USDA Survey to Measure Areas for Improvement

The U.S. Department of Agriculture (USDA) today announced a new annual survey of farmers, ranchers and private forestland owners. The survey will help USDA understand what it is doing well and where improvements are needed, specifically at the Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS) and Risk Management Agency (RMA).

A selection of 28,000 producers will receive the survey over the next few weeks, but all farmers are encouraged to take the survey at www.farmers.gov/survey.

This survey is part of the President's Management Agenda. It requires High Impact Service Provider agencies across the federal government, including FSA and NRCS, to conduct annual surveys to measure and respond to areas needing improvement.

The survey consists of 20 questions and takes approximately 10 minutes to complete. Responses are confidential, and individual responses will be aggregated. The survey will be open for at least six weeks and will be closed once USDA receives a 30% response rate.

Learn more and take the survey at www.farmers.gov/survey.

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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