

February 2021



Farm Service Agency **Electronic News Service**

# NEWSLETTER

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## January FSA Newsletter

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**Tennessee Farm Service Agency**

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[www.fsa.usda.gov/tn](http://www.fsa.usda.gov/tn)

**Acting State Executive Director:**

### **A Note from Acting State Executive Director Tyeisha Samples**

February ended up being a different month than many of us were expecting. Prolonged ice and snow storms proved to be hard not only on livestock, but also on our Tennessee producers who experienced issues with iced over roads, power outages, and, in some areas, water accessibility issues. Here at FSA, we understand these struggles. Please know that your local office is here to assist with disaster programs should you experience any loss or difficulties. We want to make sure that we are here for our agricultural community in good times and in bad.

Deepest Regards,

Tyeisha L. Samples

Tyeisha (Ty) L. Samples

**State Committee:**

Acting, Tennessee State Executive Director

Steve Officer, Chair  
Daryl Brown  
Charlotte Kelly  
Renea Jones Rogers  
Brian Flowers

To find contact information for  
your local office go to  
[www.fsa.usda.gov/tn](http://www.fsa.usda.gov/tn)

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## Disaster Assistance Available for Tennessee Farmers and Livestock Producers Impacted by Recent Winter Storms

The U.S. Department of Agriculture (USDA) provides technical and financial assistance to help Tennessee farmers and livestock producers recover from damages brought on by winter storms Uri and Viola. Agricultural producers are encouraged to contact their local USDA Service Center to learn about the programs available to help them recover from crop, land, infrastructure, and livestock losses.

### Disaster Assistance

USDA encourages farmers and ranchers to contact the FSA county office at the local [USDA Service Center](#) to apply for eligible programs and to learn which documents, such as farm records, herd inventory, receipts and pictures of damages or losses should be provided to help expedite assistance.

Producers who experience livestock deaths due to the winter storms may be eligible for the [Livestock Indemnity Program](#). Meanwhile, the [Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program](#) provides eligible producers with compensation for feed and grazing losses. For LIP and ELAP, producers will need to file a notice of loss for livestock and grazing or feed losses within 30 days and honeybee losses within 15 days.

Additionally, eligible orchardists and nursery tree growers may be eligible for cost-share assistance through the [Tree Assistance Program](#) (TAP) to replant or rehabilitate eligible trees, bushes or vines lost during the winter storms. This complements [Noninsured Crop Disaster Assistance Program](#) (NAP) or crop insurance coverage, which covers the crop but not the plants or trees in all cases. For TAP, a program application must be filed within 90 days.

FSA also offers a variety of direct and guaranteed loans, including operating and emergency loans, to producers unable to secure commercial financing. Producers in counties with a primary or contiguous disaster designation may be eligible for low-interest [emergency loans](#) to help them recover from production and physical losses. Loans can help producers replace essential property, purchase inputs like livestock, equipment, feed and seed, cover family living expenses or refinance farm-related debts and other needs.

## **Risk Management**

Producers who have risk protection through [Federal Crop Insurance](#) or FSA's NAP should report crop damage to their crop insurance agent or FSA office. If they have crop insurance, producers should report crop damage to their agent within 72 hours of damage discovery and follow up in writing within 15 days. For NAP covered crops, a [Notice of Loss](#) (CCC-576) must be filed within 15 days of the loss becoming apparent, except for hand-harvested crops, which should be reported within 72 hours.

## **Conservation**

The [Emergency Conservation Program](#) and [Emergency Forest Restoration Program](#) can assist landowners and forest stewards with financial and technical assistance to restore damaged farmland or forests.

USDA's Natural Resources Conservation Service (NRCS) also offers programs to help in the recovery process. The [Environmental Quality Incentives Program](#) (EQIP) can help producers plan and implement conservation practices on farms, ranches and working forests impacted by natural disasters.

## **Assistance for Communities**

Additional NRCS programs include the [Emergency Watershed Protection](#) (EWP) program, which provides assistance to local government sponsors with the cost of addressing watershed impairments or hazards such as debris removal and streambank stabilization. Sponsors must submit a formal request (via mail or email) to the state conservationist for assistance within 60 days of the natural disaster occurrence or 60 days from the date when access to the sites is possible.

## **More Information**

On farmers.gov, the [Disaster Assistance Discovery Tool](#), [Disaster-at-a-Glance fact sheet](#), and [Farm Loan Discovery Tool](#) can help producers and landowners determine program or loan options. For assistance with a crop insurance claim, producers and landowners should contact their [crop insurance agent](#). For FSA and NRCS programs, they should contact their local [USDA Service Center](#).

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

NAP provides financial assistance to you for crops that aren't eligible for crop insurance to protect against lower yields or crops unable to be planted 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.

To receive payment, you had to purchase NAP coverage for 2020 crops and file a notice of loss the earlier of 15 days of the occurrence of the disaster or when losses become apparent or 15 days of the final harvest date.

For hand-harvested crops and certain perishable crops, you 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 service center or visit [fsa.usda.gov/nap](https://fsa.usda.gov/nap).

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## USDA Packages Disaster Protection with Loans to Benefit Specialty Crop and Diversified Producers

Producers who apply for Farm Service Agency (FSA) farm loans will be offered the opportunity to enroll in the Noninsured Crop Disaster Assistance Program (NAP). NAP is available to producers who grow noninsurable crops and is especially important to fruit, vegetable, and other specialty crop growers.

New, underserved and limited income specialty growers who apply for farm loans could qualify for basic loss coverage at no cost.

The basic disaster coverage protects at 55 percent of the market price for crop losses that exceed 50 percent of production. Covered “specialty” crops include: vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, hay, forage, grazing and energy crops. FSA allows beginning, underserved or limited income producers to obtain NAP coverage up to 90 days after the normal application closing date when they also apply for FSA credit.

Producers can also protect value-added production, such as organic or direct market crops, at their fair market value in those markets. Targeted underserved groups eligible for free or discounted coverage include American Indians or Alaskan Natives, Asians, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, Hispanics, and women.

FSA offers a variety of loan products, including farm ownership loans, operating loans and microloans that have a streamlined application process.

NAP coverage is not limited to FSA borrowers, beginning, limited resource, or underserved farmers. Any producer who grows eligible NAP crops can purchase coverage. To learn more, contact your local service center or visit [fsa.usda.gov/nap](https://fsa.usda.gov/nap) or [fsa.usda.gov/farmloans](https://fsa.usda.gov/farmloans).

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## Disaster Assistance Available for Livestock Losses

The Livestock Indemnity Program (LIP) provides assistance to you for livestock deaths in excess of normal mortality caused by adverse weather, disease and attacks by animals reintroduced into the wild by the federal government or protected by federal law.

For disease losses, FSA county committees can accept veterinarian certifications that livestock deaths were directly related to adverse weather and unpreventable through good animal husbandry and management.

For 2021 livestock losses, you must file a notice within 30 calendar days of when the loss is first apparent. You then must provide the following supporting documentation to your local FSA office no

later than 60 calendar days after the end of the calendar year in which the eligible loss condition occurred.

- Proof of death documentation
- Copy of grower's contracts
- Proof of normal mortality documentation

In addition to filing a notice of loss, you must also submit an application for payment.

For more information, contact your local service center or visit [fsa.usda.gov](https://fsa.usda.gov).

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## March 15 is Deadline to Make Elections and Complete Enrollment in 2021 Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) Programs

Agricultural producers can now make elections and enroll in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2021 crop year.

Enrollment for the 2021 crop year closes March 15, 2021.

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.

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.

### 2021 Elections and Enrollment

Producers can elect coverage and enroll in crop-by-crop ARC-County or PLC, or ARC-Individual for the entire farm, for the 2021 crop year. Although election changes for 2021 are optional, enrollment (signed contract) is required for each year of the program. If a producer has a multi-year contract on the farm and makes an election change for 2021, it will be necessary to sign a new contract.

If an election is not submitted by the deadline of March 15, 2021, the election defaults to the current election for crops on the farm from the prior crop year.

For crop years 2022 and 2023, producers will have an opportunity to make new elections during those signups. Farm owners cannot enroll in either program unless they have a share interest in the farm.

### Web-Based Decision Tools

In partnership with USDA, the University of Illinois and Texas A&M University 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 allows producers to analyze payment yield updates and expected payments for 2021. Producers who have used the tool in the past should see their username and much of their farm data already available in the system.

### 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](#).

For additional questions and assistance, contact your local USDA service center. To locate your local FSA office, visit [farmers.gov/service-locator](https://farmers.gov/service-locator).

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## 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 and 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 offers Microloans through the direct loan program. Microloans focus 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 [fsa.usda.gov/microloans](https://fsa.usda.gov/microloans).

To qualify as a beginning producer, the individual or entity must meet the eligibility requirements outlined for direct or guaranteed loans. 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, contact your local service center or visit [fsa.usda.gov/farmloans](https://fsa.usda.gov/farmloans).

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## 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](https://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](https://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.

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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).