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Farm Service Agency Electronic News Service

NEWSLETTER

GovDelivery

FSA News - Lone Star State Edition

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To find contact information for your local office go

to: http://www.fsa.usda.gov/tx

From the State Executive Director

With spring upon us, I know many of you are spending long days in the field planting or doing field work in preparation.

As you're aware, FSA just wrapped up enrollment for the Agriculture Risk Coverage and Price Loss Coverage (ARC/PLC) programs for the 2019 crop year as well as general signup for the Conservation Reserve Program.

With those deadlines behind us, there are still a few upcoming deadlines that require your attention.

If you did not enroll for 2019 and 2020 ARC/PLC during the same office visit, the deadline to enroll in ARC/PLC for the 2020 crop year is **June 30, 2020**. FSA also recently announced that signup for CRP Grasslands runs through **May 15, 2020**.

USDA opened signup on Monday, March 23 for the Wildfire and Hurricanes Indemnity Program Plus (WHIP+), which helps producers recover from losses related to 2018 and 2019 natural disasters. Producers can apply for eligible losses of drought (D3 or above) and excess moisture. Assistance is also available to sugar beet producers.

As a reminder, our FSA offices are open for business by phone appointment only. You can find contact information for your local FSA office at farmers.gov/service-center-locator.

Gary L. Six

State Executive Director Farm Service Agency – Texas

FSA Makes Changes to Farm Loan, Disaster, Conservation and Safety Net Programs to Make it Easier for Customers to Conduct Business

USDA's Farm Service Agency (FSA) county offices are open in Texas by phone appointment only until further notice, and FSA staff are available to continue helping agricultural producers with program signups, loan servicing and other important actions. Additionally, FSA is relaxing the loan-making process and adding flexibilities for servicing direct and guaranteed loans to provide credit to producers in need.

FSA Service Centers are open for business by phone appointment only. While our program delivery staff will continue to come into to the office, they will be working with our agricultural producers by phone and using email and online tools whenever possible.

FSA is delivering programs and services, including:

- Farm loans;
- Commodity loans;
- Farm Storage Facility Loan program;
- Disaster assistance programs, including signup for the Wildfire and Hurricane Indemnity Program Plus (this includes producers now eligible because of losses due to drought and excess moisture in 2018 and 2019);
- Safety net programs, including 2020 signup for the Agriculture Risk Coverage and Price Loss Coverage programs;
- Conservation programs; and
- Acreage reports.

Relaxing the Farm Loan-Making Process

FSA is relaxing the loan-making process, including:

- Extending the deadline for applicants to complete farm loan applications;
- Preparing Direct Loans documents even if FSA is unable to complete lien and record searches because of closed government buildings. Once those searches are complete, FSA would close the loan; and
- Closing loans if the required lien position on the primary security is perfected, even for loans
 that require additional security and those lien searches, filings and recordings cannot be
 obtained because of closed government buildings.

Servicing Direct Loans

FSA is extending deadlines for producers to respond to loan servicing actions, including loan deferral consideration for financially distressed and delinquent borrowers.

FSA will temporarily suspend loan accelerations, non-judicial foreclosures, and referring foreclosures to the Department of Justice. The U.S. Attorney's Office will make the determination whether to stop foreclosures and evictions on accounts under its jurisdiction.

Servicing Guaranteed Loans

Guarantee lenders can self-certify, providing their borrowers with:

- Subsequent-year operating loan advances on lines of credit;
- · Emergency advances on lines of credit.

FSA will consider guaranteed lender reguests for:

- Temporary payment deferral consideration when borrowers do not have a feasible plan reflecting that family living expenses, operating expenses and debt can be repaid; and
- Temporary forbearance consideration for borrowers on loan liquidation and foreclosure actions.

Contacting FSA

FSA will be accepting additional forms and applications by facsimile or electronic signature. Some services are also available online to customers with an eAuth account, which provides access to the <u>farmers.gov</u> portal where producers can view USDA farm loan information and payments and view and track certain USDA program applications and payments. Customers can track payments, report completed practices, request conservation assistance and electronically sign documents. Customers who do not already have an eAuth account can enroll at <u>farmers.gov/sign-in</u>.

FSA encourages producers to contact their county office to discuss these programs and temporary changes to farm loan deadlines and the loan servicing options available. For Service Center contact information, visit farmers.gov/coronavirus.

USDA Announces More Than 3.4 Million Acres Selected for General Signup Conservation Reserve Program

USDA announced the acceptance of more than 3.4 million acres in the general Conservation Reserve Program (CRP) signup recently completed, the first general signup enrollments since 2016. County offices will begin notifying producers with accepted offers no later than April 3.

Through CRP, farmers and ranchers receive an annual rental payment for establishing long-term, resource-conserving plant species, such as approved grasses or trees, to control soil erosion, improve water quality and enhance wildlife habitat on cropland. Farmers and ranchers who participate in CRP help provide numerous benefits to the nation's environment and economy. Over these 35 years, CRP has addressed multiple concerns while ensuring the most competitive offers are selected by protecting fragile and environmentally sensitive lands, improving water quality, enhancing wildlife populations, providing pollinator forage habitat, sequestering carbon in soil and enhancing soil productivity. Seventy percent of the nation's land is owned and tended privately, and America's farmers, ranchers and landowners have willingly stepped up to protect the environment and natural resources.

This general signup included offers for State Acres for Wildlife Enhancement (SAFE), which allows producers to install practices that benefit high-priority, locally developed wildlife conservation objectives using targeted restoration of vital habitat. Over 95 percent of SAFE offers submitted were accepted under this general signup representing more than 487,500 acres. This acceptance level highlights the commitment to SAFE as an important part of CRP.

The 2018 Farm Bill established a nationwide acreage limit for CRP, with the total number of acres that may be enrolled capped at 24.5 million acres in 2020 and growing to 27 million by 2023.

While the deadline for general CRP signup was February 28, 2020, signups for continuous CRP, Conservation Reserve Enhancement Program, <u>CRP Grasslands</u> and the <u>Soil Health and Income Protection Program</u> (SHIPP) are ongoing. The CRP Grasslands deadline is May 15, and the SHIPP signup begins March 30, 2020, and ends August 21, 2020.

Continuous and Grasslands enrollments are available nationwide. All counties located within the Prairie Pothole region states of Iowa, Minnesota, Montana, North Dakota and South Dakota are eligible for SHIPP. This spring, FSA will roll out a new pilot conservation program, the Clean Lakes, Estuaries, and Rivers 30 (CLEAR 30).

USDA Service Centers are open for business by phone appointment only and field work will continue with appropriate social distancing. While our program delivery staff will continue to come into the office, they will be working with our producers by phone, and using online tools whenever possible. All Service

Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service, or any other Service Center agency are required to call their Service Center to schedule a phone appointment. More information can be found at farmers.gov/coronavirus.

For state-by-state information on general signup results, visit www.fsa.usda.gov/crp.

USDA Opens Signup for Added Causes of Loss Under WHIP+ and Announces Disaster Assistance for Sugar Beet Producers

USDA announced additional disaster assistance available to agricultural producers, including producers impacted by drought and excess moisture as well as sugar beet growers. Through WHIP+, USDA is helping producers recover from losses related to 2018 and 2019 natural disasters.

USDA's Farm Service Agency (FSA) opened signup on March 23 for producers to apply for eligible losses of drought (D3 or above) and excess moisture. USDA is also entering into agreements with six sugar beet processing cooperatives to distribute \$285 million to grower members of those cooperatives who experienced loss.

In June 2019, more than \$3 billion was made available through a disaster relief package passed by Congress and signed by President Trump. In December 2019, Congress passed, and President Trump signed the Further Consolidated Appropriations Act of 2020 that provides an additional \$1.5 billion for the continuation of disaster assistance program delivery.

WHIP+ New Qualifying Disaster Events

The bill added excessive moisture and D3 and D4 drought as qualifying losses for WHIP+ assistance.

Beginning March 23, producers who suffered either of these types of loss in 2018 and/or 2019 can apply for WHIP+ assistance at their local FSA office. For drought, a producer is eligible if any area of the county in which the loss occurred was rated D3 (Extreme Drought) or higher on the U.S. Drought Monitor during calendar years 2018 or 2019.

WHIP+ Sugar Beet Loss Assistance

As also directed in the bill, USDA will provide \$285 million through sugar beet processing cooperatives to compensate grower members for sugar beet crop losses in 2018 and 2019. Details will be finalized in agreements between USDA and participating sugar beet processing cooperatives. Sugar beet producers who are members of these cooperatives and experienced losses may contact their cooperative for more information about how this sugar beet crop assistance will be administered.

WHIP+ for Quality Loss

In addition, producers have reported widespread crop quality loss from eligible disaster events that results in price deductions or penalties when marketing the damaged crops. The Appropriations bill expands WHIP+ to include assistance for crop quality loss. FSA is gathering data and input from producers and stakeholders regarding the extent and types of quality loss nationwide.

Eligibility

To be eligible for WHIP+, producers must have suffered losses of certain crops, trees, bushes, or vines in counties with a Presidential Emergency Disaster Declaration or a Secretarial Disaster Designation (primary counties only) for the following named natural disaster events; hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms, wildfires, and now excessive moisture that occurred in 2018 or 2019. Also, losses located in a county not designated by the Secretary as a primary county may be eligible if the producer provides documentation showing that the loss was due to a qualifying natural disaster event.

For drought, counties having a D3 or D4 Drought Monitor classification in any portion of the county anytime during calendar year 2018 or 2019 will also be eligible.

A list of counties that received qualifying hurricane declarations and designations is available at farmers.gov/recover/whip-plus. The U.S. Drought Monitor is available at https://droughtmonitor.unl.edu/.

Because livestock losses are covered by other disaster recovery programs offered through FSA, these losses are not eligible for WHIP+.

USDA's Conservation Reserve Program Grasslands Signup

Farmers and ranchers may apply to enroll grasslands in the Conservation Reserve Program (CRP) Grasslands signup through May 15.

Through CRP Grasslands, participants retain the right to conduct common grazing practices, such as haying, mowing or harvesting seed from the enrolled land. Timing of some activities may be restricted by the primary nesting season of birds.

Participants will receive an annual rental payment and may receive up to 50 percent cost-share for establishing approved conservation practices. The duration of the CRP contract is either 10 or 15 years. FSA will rank applications using a number of factors including existence of expiring CRP land, threat of conversion or development, existing grassland, and predominance of native species cover, and cost.

The 2018 Farm Bill set aside 2 million acres for CRP Grassland enrollment. CRP is one of the largest conservation programs at USDA. CRP marks its 35-year anniversary in 2020 with 22 million acres currently enrolled.

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

USDA Announces Updates for Honeybee Producers

The U.S. Department of Agriculture's Farm Service Agency (FSA) announced updates to the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP). These updates include changes required by the 2018 Farm Bill as well as discretionary changes intended to improve the administration of the program and clarify existing program requirements. ELAP was previously administered based on FSA's fiscal year but will now run according to the calendar year. Producers are still required to submit an application for payment within 30 calendar days of the end of the program year. This is not a policy change but will affect the deadline. The signup deadline for calendar year 2020 losses is January 30, 2021.

Starting in 2020, producers will have 15 days from when the loss is first apparent, instead of 30 days, to file a honeybee notice of loss. This change provides consistency between ELAP and the Noninsured Crop Disaster Assistance Program, which also has a 15-day notice of loss period for honey. For other covered losses, including livestock feed, grazing and farm-raised fish losses, the notice of loss deadline for ELAP will remain 30 days from when the loss is first apparent to the producer.

Program participants who were paid for the loss of a honeybee colony or hive in either or both of the previous two years will be required to provide additional documentation to substantiate how current year inventory was acquired.

If the honeybee colony loss incurred was because of Colony Collapse Disorder, program participants must provide a producer certification that the loss was a direct result of at least three of the five symptoms of Colony Collapse Disorder, which include:

- the loss of live queen and/or drone bee populations inside the hives;
- rapid decline of adult worker bee population outside the hives, leaving brood poorly or completely unattended;
- absence of dead adult bees inside the hive and outside the entrance of the hive;
- absence of robbing collapsed colonies; and
- at the time of collapse, varroa mite and Nosema populations are not at levels known to cause economic injury or population decline.

For honeybees, ELAP covers colony losses, honeybee hive losses (the physical structure) and honeybee feed losses in instances where the colony, hive or feed has been destroyed by a natural disaster or, in the case of colony losses, because of Colony Collapse Disorder. Colony losses must be in excess of normal mortality.

ELAP also provides emergency assistance to eligible producers of livestock and farm-raised fish including for feed and grazing losses. It covers losses because of eligible adverse weather or loss conditions, including blizzards and wildfires on federally managed lands. ELAP also covers losses resulting from the cost of transporting water to livestock due to an eligible drought.

For more information on ELAP visit <u>farmers.gov/recover</u> or contact your FSA County Office. To locate your local FSA office, visit <u>farmers.gov/service-locator</u>.

2017, 2018 and 2019 Average Adjusted Gross Income Compliance Reviews

The AGI verification and compliance reviews for 2017, 2018 and 2019 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.

If the producer is determined to have exceeded the average AGI limitation of \$900,000, receivables will be established for payments earned directly or indirectly by the producer subject to the \$900,000 limitation. The State FSA Office has begun notifying producers selected for review. If you have any questions about the review process or determinations, please contact the Texas FSA Office at 979-680-5190. Producers who receive initial debt notification letters may only appeal the amount of the debt to their local FSA office. 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.

Transitioning Expiring CRP Land to Beginning, Veteran or Underserved Farmers and Ranchers

CRP contract holders are encouraged to transition their Conservation Reserve Program (CRP) acres to beginning, veteran or socially disadvantaged farmers or ranchers through the Transition Incentives Program (TIP). TIP provides annual rental payments to the landowner or operator for up to two additional years after the CRP contract expires, provided the transition is not to a family member.

Enrollment in TIP is on a continuous basis through 2023 or until the new statutory limit of \$50 million under the 2018 Farm Bill is reached.

CRP contract holders no longer need to be a retired or retiring owner or operator to transition their land. TIP participants must agree to sell, have a contract to sell, or agree to lease long term (at least five years) land enrolled in an expiring CRP contract to a beginning, veteran, or socially disadvantaged farmer or rancher who is not a family member.

Beginning, veteran or social disadvantaged farmers and ranchers and CRP participants may enroll in TIP beginning two years before the expiration date of the CRP contract. For example, if a CRP contract is scheduled to expire on Sept. 30, 2022, the land may be offered for enrollment in TIP from October 1, 2020, through September 30, 2022. The TIP application must be submitted prior to completing the lease or sale of the affected lands.

New landowners or renters that return the land to production must use sustainable grazing or farming methods.

For more information on TIP, visit <u>fsa.usda.gov/conservation</u>.

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

Free basic coverage available for new and underserved loan applicants

Producers who apply for 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 and vegetable producers 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 crops include "specialty" crops, for instance, 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 also may work with FSA to 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 are 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.

Growers need not apply for an FSA loan, nor be a beginning, limited resource, or underserved farmer, to be eligible for Noninsured Crop Disaster Assistance Program assistance. To learn more, visit www.fsa.usda.gov/nap or www.fsa.usda.gov/farmloans, or contact your local FSA office at https://offices.usda.gov.

Loans for Targeted Underserved Producers

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or to purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, FSA has provided priority funding for members of targeted underserved applicants.

A targeted underserved applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, targeted underserved groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

NRCS Reminders

Environmental Quality Incentives Program (EQIP) The USDA-Natural Resources Conservation Service (NRCS) in Texas has announced the first funding application deadline of April 3, 2020, for the Environmental Quality Incentives Program (EQIP). If additional financial assistance funds are still available, a second funding application deadline will be scheduled for May 15, 2020.

Regional Conservation Partnership Program (RCPP) NRCS in Texas is accepting applications for EQIP as part of the Regional Conservation Partnership Program (RCPP). Three RCPP projects are being included in this effort: The Oaks and Prairies Joint Venture (OPJV) – Grassland Restoration Incentives Program (GRIP) Partnership; the Gulf Coast Water and Wildlife (GCWW) RCPP and Hill Country Headwaters Conservation Initiative (HCHCI) RCPP. A total of nearly \$1.8 million has been set aside for these projects in Texas. All applications must be received by NRCS Field Offices by the deadline date to be considered for those funding cycles.

For more information on eligible counties and deadlines visit https://www.nrcs.usda.gov/wps/portal/nrcs/detail/tx/newsroom/releases/?cid=NRCSEPRD1552851.

Agricultural Conservation Easement Program (ACEP) NRCS is now accepting applications for the Agricultural Conservation Easement Program (ACEP). ACEP, reauthorized in the 2018 Farm Bill, funds easements for agricultural lands and wetlands.

ACEP applications are accepted on a continual basis. For fiscal year 2020, Texas will evaluate all applications received by April 17, 2020. Applications received after April 17, 2020, will be held for funding consideration in fiscal year 2021.

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).