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From the FSA State Executive Director

When natural disasters strike, USDA is here to help. 2021 has already had its fair share of winter storms, drought, tropical storms and hurricanes and USDA offers technical and financial assistance to help producers recover. USDA encourages farmers and ranchers to contact their local FSA office to timely report losses and learn which documents can help the local office expedite assistance, such as farm records, receipts and pictures of damages or...
losses. Information on disaster assistance can be found at farmers.gov/protection-recovery.

The Coronavirus Food Assistance Program 2 (CFAP 2) rule has been revised related to assistance for producers of sales-based commodities and contract producers. It also announces Oct. 12, 2021, as the deadline for CFAP 2 applications. Assistance will be available for contract producers of broilers, pullets, layers, chicken eggs, turkeys, hogs and pigs, as well as contract producers of ducks, geese, pheasants, and quail and including contract producers of eggs of all eligible poultry types.

The duration and intensity of current drought conditions are merciless, and the impacts of this summer’s drought will be felt by producers for months to come. To help ranchers impacted by drought, we’re making a change to the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) to help cover the cost of transporting feed for livestock that rely on grazing.

Because of the pandemic, some USDA Service Centers may not be accepting visitors. Contact your Service Center to set up an in-person or phone appointment. Service Center staff also continue to work with agricultural producers via phone, email, and other digital tools.

Sincerely,

Eddie Trevino
Acting State Executive Director
Farm Service Agency - Texas

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**From the NRCS State Conservationist**

As we close out the fiscal year, NRCS staffers across Texas are busy helping landowners install conservation practices scheduled for this year and develop conservation plans for new opportunities that will be announced in fiscal year 2022.

NRCS in partnership with the Minority Landowner Magazine will hold a September webinar series for farmers, ranchers, landowners, and community agricultural organizations on September 21 for Central Texas, September 22 for West Texas, and September 23 for South Texas. The Central and South Texas sessions will be 1:00 p.m. – 5:00 p.m. CDT. The West Texas session will be 1:00 p.m.– 5:00 p.m. MDT. There is no cost to register, and attendees may join one or multiple sessions. The webinar series will provide information to help landowners plan for 2022.

Topics will cover NRCS technical and financial assistance programs, USDA Farm Service Agency farm loan programs, community agriculture and community farms, farmer and landowner legal issues such as wills, estate planning, and heirs’ property. Experts will also be available to answer questions on disaster programs, marketing, soil health, livestock operations, vegetable production, forest management, pest management, high tunnels (hoop houses), irrigation, programs for veterans, and more.
Fall is the time to consider planting cover crops. Whether your field goals are improved soil health, better water quality or livestock forage, planting cover crops can help meet the conservation and economic goals you’ve set for your operation. In fact, properly managed cover crops can help you score multiple field goals at the same time. You can learn more about cover crops through this short video and by contacting your local NRCS field office.

Recently, USDA announced it is investing up to $50 million in cooperative agreements to support historically underserved farmers and ranchers with climate-smart agriculture and forestry. The Racial Justice and Equity Conservation Cooperative Agreements are available to entities and individuals for 2-year projects that expand the delivery of conservation assistance to farmers who are beginning, limited resource, socially disadvantaged, and veteran farmers, and ranchers. Applications must be received by 11:59 p.m. EST on October 25, 2021. See the grants.gov announcement for details and application instructions.

This month, I invite you to read a story map about a unique partnership between NRCS and Texas A&M University-Kingsville that is exposing students to new agricultural technology by using unmanned aerial vehicles (drones) and geospatial sciences and technologies for agricultural and wildlife research, as well as exposing students to careers with USDA.

Sincerely,
Kristy Oates
State Conservationist
Natural Resources Conservation Service - Texas

Overview of Emergency Disaster Declarations and Designations

Farmers and ranchers know all too well that natural disasters can be a common, and likely a costly, variable to their operation. The Farm Service Agency (FSA) has emergency assistance programs to provide assistance when disasters strike, and for some of those programs, a disaster designation may be the eligibility trigger.

FSA administers four types of disaster designations.

USDA Secretarial Disaster Designation

- The designation process can be initiated by individual farmers, local government officials, State governors, State agriculture commissions, tribal councils or the FSA State Executive Director
- This designation is triggered by a 30-percent or greater production loss to at least one crop because of a natural disaster, or at least one producer who sustained individual losses because of a natural disaster and is unable to obtain commercial financing to cover those losses
- In 2012, USDA developed a fast-track process for disaster declarations for severe drought. This provides for a nearly automatic designation when, during the growing season, any portion of a county meets the D2 (Severe Drought) drought intensity value for eight consecutive weeks or a higher drought intensity value for
any length of time as reported by the U.S. Drought Monitor (http://droughtmonitor.unl.edu)

Administrator’s Physical Loss Notification

- This designation is initiated by the FSA State Executive Director.
- The designation is triggered by physical damage and losses because of a natural disaster, including but not limited to dead livestock, collapsed buildings, and destroyed farm structures.

Presidential Designation

- A Presidential major disaster designation and emergency declaration is initiated by the Governor of the impacted state through the Federal Emergency Management Agency (FEMA).
- This designation is triggered by damage and losses caused by a disaster of such severity and magnitude that effective response is beyond the capability of the State and local governments.

Quarantine Designation

- This designation is requested of the Secretary of Agriculture by the FSA State Executive Director.
- A quarantine designation is triggered by damage and losses caused by the effects of a plant or animal quarantine approved by the Secretary under the Plant Protection Act or animal quarantine laws.

All four types of designations immediately trigger the availability of low-interest Emergency loans to eligible producers in all primary and contiguous counties. FSA borrowers in these counties who are unable to make their scheduled payments on any debt may be authorized to have certain set asides. Additional disaster assistance requiring a designation may also be provided by new programs in the future.

For more information on FSA disaster programs and disaster designations, contact your local USDA Service Center or visit fsa.usda.gov/disaster.

Submitting Production Losses for Disaster Declarations

Farmers and ranchers know all too well that natural disasters can be a common, and likely a costly, variable to their operation. The Farm Service Agency (FSA) has emergency assistance programs to provide assistance when disasters strike, and for some of those programs, a disaster designation may be the eligibility trigger. When natural disaster occurs, there is a process for requesting a USDA Secretarial disaster designation for a county. You can play a vital role in this process.

If you have experienced a production loss as a result of a natural disaster, you may submit a request to your local FSA county office for your county to be evaluated for a Secretarial disaster designation. Once a request is received, the county office will collect disaster data and create a Loss Assessment Report. The County Emergency Board will review the Loss
Assessment Report and determine if a recommendation is sent forward to the U.S. Secretary of Agriculture for the designation.

For more information on FSA disaster programs and disaster designations, contact your local USDA Service Center or visit fsa.usda.gov/disaster.

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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 2021 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 USDA Service Center or visit fsa.usda.gov/nap.

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**USDA Expands Assistance to Cover Feed Transportation Costs for Drought-Impacted Ranchers**

In response to the severe drought conditions in the West and Great Plains, the U.S. Department of Agriculture (USDA) announced today its plans to help cover the cost of transporting feed for livestock that rely on grazing. USDA is updating the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) to immediately cover feed transportation costs for drought impacted ranchers. USDA’s Farm Service Agency (FSA) will provide more details and tools to help ranchers get ready to apply at their local USDA Service Center later this month at fsa.usda.gov/elap.

ELAP provides financial assistance to eligible producers of livestock, honeybees, and farm-raised fish for losses due to disease, certain adverse weather events or loss conditions as determined by the Secretary of Agriculture.
ELAP already covers the cost of hauling water during drought, and this change will expand the program beginning in 2021 to cover feed transportation costs where grazing and hay resources have been depleted. This includes places where:

- Drought intensity is D2 for eight consecutive weeks as indicated by the [U.S. Drought Monitor];
- Drought intensity is D3 or greater; or
- USDA has determined a shortage of local or regional feed availability.

Cost share assistance will also be made available to cover eligible cost of treating hay or feed to prevent the spread of invasive pests like fire ants.

Under the revised policy for feed transportation cost assistance, eligible ranchers will be reimbursed 60% of feed transportation costs above what would have been incurred in a normal year. Producers qualifying as underserved (socially disadvantaged, limited resource, beginning or military veteran) will be reimbursed for 90% of the feed transportation cost above what would have been incurred in a normal year.

A national cost formula, as established by USDA, will be used to determine reimbursement costs which will not include the first 25 miles and distances exceeding 1,000 transportation miles. The calculation will also exclude the normal cost to transport hay or feed if the producer normally purchases some feed. For 2021, the initial cost formula of $6.60 per mile will be used (before the percentage is applied), but may be adjusted on a state or regional basis.

To be eligible for ELAP assistance, livestock must be intended for grazing and producers must have incurred feed transportation costs on or after Jan. 1, 2021. Although producers will self-certify losses and expenses to FSA, producers are encouraged to maintain good records and retain receipts and related documentation in the event these documents are requested for review by the local FSA County Committee. The deadline to file an application for payment for the 2021 program year is Jan. 31, 2022.

USDA offers a comprehensive portfolio of disaster assistance programs. On farmers.gov, the Disaster Assistance Discovery Tool, Disaster Assistance-at-a-Glance fact sheet, and Farm Loan Discovery Tool can help producers and landowners determine all program or loan options available for disaster recovery assistance.

More information on this expansion to ELAP is forthcoming. In the meantime, more information is available at fsa.usda.gov/elap or by contacting a local USDA Service Center.

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**USDA Extends Deadline to Apply for Pandemic Assistance to Livestock Producers with Animal Losses**

The U.S. Department of Agriculture (USDA) is providing additional time for livestock and poultry producers to apply for the Pandemic Livestock Indemnity Program (PLIP). Producers who suffered losses during the pandemic due to insufficient access to processing may now apply for assistance for those losses and the cost of depopulation
and disposal of the animals through Oct. 12, 2021, rather than the original deadline of Sept. 17, 2021. PLIP is part of USDA’s Pandemic Assistance for Producers initiative.

PLIP provides payments to producers for losses of livestock or poultry depopulated from March 1, 2020 through Dec. 26, 2020, due to insufficient processing access as a result of the pandemic. Payments are based on 80% of the fair market value of the livestock and poultry and for the cost of depopulation and disposal of the animal. Eligible livestock and poultry include swine, chickens and turkeys.

PLIP Program Details

PLIP payments are calculated by multiplying the number of head of eligible livestock or poultry by the payment rate per head, and then subtracting the amount of any payments the eligible livestock or poultry owner has received for disposal of the livestock or poultry under the Natural Resources Conservation Service (NRCS) Environmental Quality Incentives Program (EQIP) or a state program. The payments will also be reduced by any Coronavirus Food Assistance Program (CFAP 1 and 2) payments paid on the same inventory of swine that were depopulated.

Eligible livestock and poultry producers can apply for PLIP through the Oct. 12, 2021 deadline by completing the FSA-620, Pandemic Livestock Indemnity Program application, and submitting it to any Farm Service Agency county office. Additional documentation may be required. Visit farmers.gov/plip for more information on how to apply.

Additional Pandemic Assistance

Other programs within the Pandemic Assistance for Producer initiative with upcoming deadlines include:

- **12 - Coronavirus Food Assistance Program 2**, which provides critical support to agricultural producers impacted by COVID-19 market disruptions.
- **15 – Pandemic Assistance for Timber Harvesters and Haulers**, which provides financial relief to timber harvesting and timber hauling businesses that experienced losses in 2020 due to COVID-19.

To learn more about USDA’s commitment to delivery of financial assistance to farmers, ranchers and agricultural producers and businesses who have been impacted by COVID-19 market disruptions, visit farmers.gov/pandemic-assistance.

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**USDA Updates Pandemic Assistance for Livestock, Poultry Contract Producers and Specialty Crop Growers**

*USDA Sets October 12 Deadline for CFAP 2*

The U.S. Department of Agriculture (USDA) is updating the Coronavirus Food Assistance Program 2 (CFAP 2) for contract producers of eligible livestock and poultry and producers of specialty crops and other sales-based commodities. CFAP 2, which assists producers who faced market disruptions in 2020 due to COVID-19, is part of USDA’s broader
Pandemic Assistance for Producers initiative. Additionally, USDA’s Farm Service Agency (FSA) has set an Oct. 12 deadline for all eligible producers to apply for or modify applications for CFAP 2.

**Assistance for Contract Producers**

The Consolidated Appropriations Act, 2021, provides up to $1 billion for payments to contract producers of eligible livestock and poultry for revenue losses from Jan. 1, 2020, through Dec. 27, 2020. Contract producers of broilers, pullets, layers, chicken eggs, turkeys, hogs and pigs, ducks, geese, pheasants and quail may be eligible for assistance. This update includes eligible breeding stock and eggs of all eligible poultry types produced under contract.

Payments for contract producers were to be based on a comparison of eligible revenue for the periods of Jan. 1, 2019, through Dec. 27, 2019, and Jan. 1, 2020, through Dec. 27, 2020. Today’s changes mean contract producers can now elect to use eligible revenue from the period of Jan. 1, 2018, through Dec. 27, 2018, instead of that date range in 2019 if it is more representative. This change is intended to provide flexibility and make the program more equitable for contract producers who had reduced revenue in 2019 compared to a normal production year. The difference in revenue is then multiplied by 80% to determine a final payment. Payments to contract producers may be factored if total calculated payments exceed the available funding and will be made after the application period closes.

Additional flexibilities have been added to account for increases to operation size in 2020 and situations where a contract producer did not have a full period of revenue from Jan. 1 to Dec. 27 for either 2018 or 2019. Assistance is also available to new contract producers who began their farming operation in 2020.

**Updates for Sales-Based Commodities**

USDA is amending the CFAP 2 payment calculation for sales-based commodities, which are primarily comprised of by specialty crops, to allow producers to substitute 2018 sales for 2019 sales. Previously, payments for producers of sales-based commodities were based only on 2019 sales, with 2019 used as an approximation of the amount the producer would have expected to market in 2020. Giving producers the option to substitute 2018 sales for this approximation, including 2018 crop insurance indemnities and 2018 crop year Noninsured Disaster Assistance Program (NAP) and Wildfire and Hurricane Indemnity Program Plus (WHIP+) payments, provides additional flexibility to producers of sales-based commodities who had reduced sales in 2019.

Grass seed has also been added as an eligible sales commodity for CFAP 2. A complete list of all eligible sales-based commodities can be found at [farmers.gov/cfap2/commodities](http://farmers.gov/cfap2/commodities). Producers of sales-based commodities can modify existing applications.

**Applying for Assistance**

Newly eligible producers who need to submit a CFAP 2 application or producers who need to modify an existing one can do so by contacting their local FSA office. Producers can find their local FSA office by visiting [farmers.gov/service-locator](http://farmers.gov/service-locator). Producers can also...
obtain one-on-one support with applications by calling 877-508-8364. All new and modified CFAP 2 applications are due by the Oct. 12 deadline.

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**USDA Announces Pandemic Assistance for Timber Harvesters and Haulers**

The U.S. Department of Agriculture (USDA) is providing up to $200 million to provide relief to timber harvesting and timber hauling businesses that have experienced losses due to COVID-19 as part of USDA’s Pandemic Assistance for Producers initiative. Loggers and truckers can apply for assistance through USDA’s Farm Service Agency (FSA) July 22 through Oct. 15, 2021. The Pandemic Assistance for Timber Harvesters and Haulers program (PATHH) is administered by FSA in partnership with the U.S. Forest Service.

The Consolidated Appropriations Act, 2021, authorized this critical assistance for the timber industry. Timber harvesting and hauling businesses that have experienced a gross revenue loss of at least 10% during the period of Jan. 1 and Dec. 1, 2020, compared to the period of Jan. 1 and Dec. 1, 2019, are encouraged to apply.

**Program Details**

To be eligible for payments, individuals or legal entities must be a timber harvesting or timber hauling business where 50% or more of its gross revenue is derived from one or more of the following:

- Cutting timber.
- Transporting timber.
- Processing of wood on-site on the forest land (chipping, grinding, converting to biochar, cutting to smaller lengths, etc.).

Payments will be based on the applicant’s gross revenue received from Jan. 1, 2019, through Dec. 1, 2019, minus gross revenue received from Jan. 1, 2020, through Dec. 1, 2020, multiplied by 80%. FSA will issue an initial payment equal to the lesser of the calculated payment amount or $2,000 as applications are approved. A second payment will be made after the signup period has ended based upon remaining PATHH funds.

The maximum amount that a person or legal entity may receive directly is $125,000.

**Applying for Assistance**

Loggers and truckers can apply for PATHH beginning on July 22 by completing form FSA-1118, Pandemic Assistance for Timber Harvesters and Haulers Program application, and certifying to their gross revenue for 2019 and 2020 on the application. Additional documentation may be required. Visit farmers.gov/pathh for more information on how to apply.

Applications can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery, or via electronic means. To find a local FSA office, loggers and truckers can visit farmers.gov/service-locator. They can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.
Submit Loan Requests for Financing Early

The Texas State FSA Farm Loan team is already working on operating loans for spring 2022 and asks potential borrowers to submit their requests early so they can be timely processed. The farm loan team can help determine which loan programs are best for applicants.

FSA offers a wide range of low-interest loans that can meet the financial needs of any farm operation for just about any purpose. The traditional farm operating and farm ownership loans can help large and small farm operations take advantage of early purchasing discounts for spring inputs as well expenses throughout the year.

Microloans are a simplified loan program that will provide up to $50,000 for both Farm Ownership and Operating Microloans to eligible applicants. These loans, targeted for smaller and non-traditional operations, can be used for operating expenses, starting a new operation, purchasing equipment, and other needs associated with a farming operation. Loans to beginning farmers and members of underserved groups are a priority.

Other types of loans available include:

Marketing Assistance Loans allow producers to use eligible commodities as loan collateral and obtain a 9-month loan while the crop is in storage. These loans provide cash flow to the producer and allow them to market the crop when prices may be more advantageous.

Farm Storage Facility Loans can be used to build permanent structures used to store eligible commodities, for storage and handling trucks, or portable or permanent handling equipment. A variety of structures are eligible under this loan, including bunker silos, grain bins, hay storage structures, and refrigerated structures for vegetables and fruit. A producer may borrow up to $500,000 per loan.

FSA Implements Set-Aside Loan Provision for Customers Impacted by COVID-19

Set-Aside Delays Loan Payments for Borrowers

USDA’s Farm Service Agency (FSA) will broaden the use of the Disaster Set-Aside (DSA) loan provision, normally used in the wake of natural disasters, to allow farmers with USDA farm loans who are affected by COVID-19, and are determined eligible, to have their next payment set aside. In some cases, FSA may also set aside a second payment for farmers who have already had one payment set aside because of a prior designated disaster.

FSA direct loan borrowers will receive a letter with the details of the expanded Disaster Set-Aside authorities, which includes the possible set-aside of annual operating loans, as well as explanations of the additional loan servicing options that are available. To discuss or request a loan payment Set-Aside, borrowers should call or email the farm loan staff at their local FSA county office.
The set-aside payment’s due date is moved to the final maturity date of the loan or extended up to twelve months in the case of an annual operating loan. Any principal set-aside will continue to accrue interest until it is repaid. This aims to improve the borrower’s cashflow in the current production cycle.

FSA previously announced it was relaxing the loan-making process and adding flexibilities for servicing direct and guaranteed loans to provide credit to producers in need. Direct loan applicants and borrowers are encouraged to contact their local FSA county office to discuss loan making and servicing flexibilities and other needs or concerns. Customers participating in FSA’s guaranteed loan programs are encouraged to contact their lender. Information on these flexibilities, and office contact information, can be found on farmers.gov/coronavirus.

FSA will be accepting most 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 farmers.gov portal where producers can view USDA farm loan information and certain 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 farmers.gov/sign-in.

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**USDA to Provide Relief to Small Producers, Processors, Distributors, Farmers Markets Impacted by COVID-19**

The U.S. Department of Agriculture’s Agricultural Marketing Service (AMS) announced it will soon publish Requests for Applications (RFAs) for the Pandemic Response and Safety (PRS) Grants program to support agricultural stakeholders who haven’t yet received substantial federal financial assistance in responding to the COVID-19 crisis. This grant program will provide assistance to small businesses in certain commodity areas, including small scale specialty crop producers, food processors, manufacturers, distributors and farmers markets.

A [grant forecast](https://usda-prs.grantsolutions.gov) is now available to help potential applicants determine their eligibility and to prepare to apply for funding. Eligible entities should visit the PRS grant portal at [usda-prs.grantsolutions.gov](https://usda-prs.grantsolutions.gov) for complete information on the program, including how to obtain a free of charge DUNS Number from Dun & Bradstreet (D&B) BEFORE applying for this program. On September 23, USDA will issue another announcement indicating that entities may submit their applications through the grant portal; entities will need their DUNS number to submit an application.

Visit [usda-prs.grantsolutions.gov](https://usda-prs.grantsolutions.gov) or the [AMS website](https://www.ams.usda.gov) to learn more.
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