Utah FSA Newsletter

Disaster Assistance for 2020 Livestock Forage Losses

Producers in every Utah County, with the exception of Rich County, are eligible to apply for 2020 Livestock Forage Disaster Program (LFP) benefits on non-irrigated native pasture and non-irrigated improved pasture.

LFP provides compensation if you suffer grazing losses for covered livestock due to drought on privately owned or cash leased land or fire on federally managed land.

County committees can only accept LFP applications after notification is received by the National Office of qualifying drought or if a federal agency prohibits producers from grazing normal permitted livestock on federally managed lands due to qualifying fire. You must complete a CCC-853 and the required supporting documentation no later than February 2, 2021, for 2020 losses.

For additional information about LFP, including eligible livestock and fire criteria, contact your local USDA Service Center or visit fsa.usda.gov.
To find contact information for your local office go to www.fsa.usda.gov/ut

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

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.

**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) today announced that signup for the Quality Loss Adjustment (QLA) Program will begin 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](#).

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](#), or contact your local USDA Service Center. Producers can also obtain one-on-one support with applications by calling 877-508-8364.
Enrollment Begins for Agriculture Risk Coverage and Price Loss Coverage Programs for 2021

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. The signup period opened Tuesday, Oct. 13. These key U.S. Department of Agriculture (USDA) safety-net programs help producers weather fluctuations in either revenue or price for certain crops, and more than $5 billion in payments are in the process of going out to producers who signed up for the 2019 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.

2019 Crop Year ARC and PLC Payments

FSA began processing payments last week for 2019 ARC-County (ARC-CO) and PLC on covered commodities that met payment triggers on farms enrolled for the 2019 crop year. In addition to the $5 billion now in process, FSA anticipates it will issue additional payments by the end of November for 2019 commodities covered under ARC-Individual (ARC-IC) and additional commodities that trigger PLC and ARC-CO payments for which rates have not yet been published.

Producers who had 2019 covered commodities enrolled in ARC-CO can visit the ARC and PLC webpage for payment rates applicable to their county and each covered commodity. For farms and covered commodities enrolled in 2019 PLC, the following crops met payment triggers: barley, canola, chickpeas (small and large), corn, dry peas, grain sorghum, lentils, long and medium grain rice, peanuts, seed cotton and wheat.

Oats and soybeans did not meet 2019 PLC payment triggers.

2019 PLC payment rates for the following covered commodities have not been determined: crambe, flaxseed, mustard seed, rapeseed, safflower, sesame seed, sunflower seed and temperate Japonica rice. Payment rates for these commodities will be announced at a later date.

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](#).

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**USDA-RMA Announces Implementation of Improvements to Prevented Planting Coverage and the Beginning and Veteran Farmer and Rancher Program**

USDA's Risk Management Agency (RMA) improvements to prevented planting coverage and to the beginning and veteran farmer and rancher program took effect on November 30 for crop year 2021. These improvements, among others, were made to the Common Crop Insurance Policy Basic Provisions.

Improvements to prevented planting coverage include:

- Expanding the “1 in 4” requirement nationwide, requiring producers to plant, insure and harvest acreage in at least one of the four most recent crop years.
- Making modifications to ensure that producers’ prevented planting payments adequately reflect the crops the producer intended to plant.
- For more information, see the [previous announcement](#) and these [Frequently Asked Questions](#).

The improvement to the beginning and veteran farmer and rancher program will allow participants with farming experience to use the Actual Production History (APH) of the previous producer, with permission, on newly acquired land. Previously, the APH could only be used if the beginning or veteran farmer or rancher was involved on the specific acreage acquired.

RMA is authorizing additional flexibilities due to coronavirus. More information can be found at [farmers.gov/coronavirus](#).

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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.

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 USDA Service Center or visit fsa.usda.gov/farmloans.

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**USDA Seeks Members for Advisory Committee on Urban Agriculture**

The U.S. Department of Agriculture (USDA) is seeking members for a new advisory committee on urban agriculture, part of a broader effort to focus on the needs of urban farmers. The 12-person committee will advise the Secretary of Agriculture on the development of policies and outreach relating to urban, indoor and other emerging agricultural production practices as well as identify any barriers to urban agriculture.

USDA is seeking nominations for individuals representing a broad spectrum of expertise, including:

- Four agricultural producers (two agricultural producers in an urban area or urban cluster and two agricultural producers who use innovative technology).
- Two representatives from an institution of higher education or extension program.
- One representative of a nonprofit organization, which may include a public health, environmental or community organization.
- One representative of business and economic development, which may include a business development entity, a city government or a planning organization.
- One individual with supply chain experience, which may include a food aggregator, wholesale food distributor, food hub or an individual who has direct-to-consumer market experience.
- One individual from a financing entity.
- Two individuals with related experience or expertise in urban, indoor and other emerging agriculture production practices, as determined by the Secretary.

Any interested person or organization may nominate qualified individuals for membership. Self-nominations are also welcome.

Nominations should include a cover letter, resume and a background form. Nomination packages must be submitted by mail or email by March 5, 2021. They should be addressed to Ronald Harris, Designated Federal Officer, Director of Outreach and Partnerships, Natural Resources Conservation Service (NRCS), Department of Agriculture, 1400 Independence Avenue, S.W., Room 6006-S, Washington, D.C. 20250, or emailed to Ronald.Harris@usda.gov.

The 2018 Farm Bill established the Office of Urban Agriculture and Innovative Production and directed USDA to form this advisory committee as well as make other advancements related to urban agriculture. It is led by the NRCS and works in partnership with numerous USDA agencies that support urban agriculture. Its mission is to encourage and promote urban, indoor and other emerging agricultural practices, including community composting and food waste reduction. More information is available in this notice on the Federal Register or at farmers.gov/urban.

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**USDA Announces CRP General Signup Ends February 12**

Agricultural producers and private landowners interested in the Conservation Reserve Program (CRP) can sign up for the popular program beginning Jan. 4, 2021, until Feb. 12, 2021. The competitive program, administered by USDA’s Farm Service Agency (FSA), provides annual rental payments for land devoted to conservation purposes.

Through CRP, farmers and ranchers establish 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 their local region and the nation’s environment and economy. CRP general signup is held annually and is competitive; general signup includes increased opportunities for wildlife habitat enrollment through the State Acres For Wildlife Enhancement (SAFE) initiative.

New cropland offered in the program must have been planted for four out of six crop years from 2012 to 2017. Additionally, producers with land already enrolled but expiring on Sept. 30, 2021, can re-enroll this year. The acreage offered by producers and landowners is evaluated competitively; accepted offers will begin Oct. 1, 2021.

Signed into law in 1985, CRP is one of the largest private-lands conservation programs in the United States. The program marked its 35-year anniversary in December 2020. Program successes include:

- Preventing more than 9 billion tons of soil from eroding, which is enough soil to fill 600 million dump trucks.
- Reducing nitrogen and phosphorous runoff relative to annually tilled cropland by 95% and 85%, respectively.
- Sequestering an annual average of 49 million tons of greenhouse gases, equal to taking 9 million cars off the road.
- Creating more than 3 million acres of restored wetlands while protecting more than 175,000 stream miles with riparian forest and grass buffers, which is enough to go around the world seven times.
- Benefiting bees and other pollinators and increasing populations of ducks, pheasants, turkey, bobwhite quail, prairie chickens, grasshopper sparrows, and many other birds.

**USDA Offers Annual Installment Deferral Option for Farm Storage Facility Loan Borrowers**

To assist Farm Storage Facility Loan (FSFL) borrowers experiencing financial hardship from the pandemic and other challenges in production agriculture, USDA’s Farm Service Agency (FSA) is offering a one-time annual installment payment deferral option. No fees or prepayment penalties apply for borrowers who choose this FSFL loan flexibility option.

Eligible borrowers can request a one-time only annual installment payment deferral for loans having terms of three, five, seven or ten years. The installment deferral option is not available for 12-year term loans.

The FSFL installment payments will remain the same, except for the last year. The original loan interest rate and annual payment due date will remain the same. However, because the installment payment deferral is a one-year loan term extension, the final payment will be higher due to additional accrued interest.

Borrowers interested in exercising the one-time annual installment deferral option should contact FSA to make the request and to obtain, complete and sign required forms.

FSFLs provide low-interest financing for producers to store, handle and transport eligible commodities.

**More Information**

In addition to offering flexibilities for FSFLs, FSA has also made other flexibilities to help producers impacted by the pandemic, including relaxing the loan-making process for farm operating and ownership loans and implementing the Disaster Set-Aside provision that enables an upcoming installment on a direct loan to be set aside for the year. More information on these flexibilities can be found at farmers.gov/coronavirus.

For more information, contact your local USDA Service Center. To locate your local FSA office, visit farmers.gov/service-center-locator.

**USDA Announces Loan Maturity for Marketing Assistance Loans Now Extended to 12 Months**
Agricultural producers now have more time to repay Marketing Assistance Loans (MAL) as part of the U.S. Department of Agriculture’s implementation of the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020. The loans now mature at 12 months rather than nine, and this flexibility is available for most commodities.

The maturity extension applies to nonrecourse loans for crop years 2018, 2019 and 2020. Eligible open loans must be in good standing with a maturity date of March 31, 2020, or later or new crop year (2019 or 2020) loans requested by September 30, 2020. All new loans requested by September 30, 2020, will have a maturity date 12 months following the date of approval.

The maturity extension for current, active loans will be automatically extended an additional three months. Loans that matured March 31 have already been automatically extended by USDA’s Farm Service Agency (FSA). Producers who prefer a nine-month loan will need to contact their local FSA county office. Loans requested after September 30, 2020, will have a nine-month term.

Eligible commodities include barley, chickpeas (small and large), corn, cotton (upland and extra-long staple), dry peas, grain sorghum, honey, lentils, mohair, oats, peanuts, rice (long and medium grain), soybeans, unshorn pelts, wheat, wool (graded and nongraded); and other oilseeds, including canola, crambe, flaxseed, mustard seed, rapeseed, safflower, sunflower seed, and sesame seed. Seed cotton and sugar are not eligible.

For more information on MALs, contact your local USDA Service Center or visit www.fsa.usda.gov.

### Applying for Youth Loans

The Farm Service Agency (FSA) makes loans to youth to establish and operate agricultural income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is $5,000.

**Youth Loan Eligibility Requirements:**

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA’s general eligibility requirements
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor.<span style="mso-spacerun: yes"> </span>The project supervisor must recommend the youth loan applicant, along with providing adequate supervision.

For help preparing the application forms, contact your local USDA Service Center or visit fsa.usda.gov.