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U.S. DEPARTMENT OF AGRICULTURE

Farm Service Agency | Natural Resources Conservation Service | Risk Management Agency

Virginia September Newsletter Articles and Updates - September 2025

In This Issue:

FSA Outlines MAL and LDP Policy

Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs) provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, rice, peanuts, cotton, wool and honey. MALs provide you with interim financing after harvest to help you meet cash flow needs without having to sell your commodities when market prices are typically at harvest-time lows. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available. Marketing loan provisions and LDPs are not available for sugar and extra-long staple cotton.

FSA is now accepting requests for 2025 MALs and LDPs for all eligible commodities after harvest. Requests for loans and LDPs shall be made on or before the final availability date for the respective commodities.

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

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

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

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

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

Cover Crop Guidelines

The Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS) and Risk Management Agency (RMA) worked together to develop consistent, simple and a flexible policy for cover crop practices.

Cover crops, such as grasses, legumes and forbs, can be planted: with no subsequent crop planted, before a subsequent crop, after prevented planting acreage, after a planted crop, or into a standing crop.

Termination:

The cover crop termination guidelines provide the timeline for terminating cover crops, are based on zones and apply to non-irrigated cropland. To view the zones and additional guidelines visit nrcs.usda.gov/wps/portal/nrcs/main/national/landuse/crops/ and click “Cover Crop Termination Guidelines.”

The cover crop may be terminated by natural causes, such as frost, or intentionally terminated through chemical application, crimping, rolling, tillage or cutting. A cover crop managed and terminated according to NRCS Cover Crop Termination Guidelines is **not** considered a crop for crop insurance purposes.

Reporting:

The intended use of cover only will be used to report cover crops. This includes crops

that were terminated by tillage and reported with an intended use code of green manure. An FSA policy change will allow cover crops to be hayed and grazed. Program eligibility for the cover crop that is being hayed or grazed will be determined by each specific program.

If the crop reported as cover only is harvested for any use other than forage or grazing and is not terminated properly, then that crop will no longer be considered a cover crop.

Crops reported with an intended use of cover only will not count toward the total cropland on the farm. In these situations, a subsequent crop will be reported to account for all cropland on the farm.

Update Your Records

code, phone number, email address or an incorrect name or business name on file to our office. You should also report changes in your farm operation, like the addition of a farm by lease or purchase. You should also report any changes to your operation in which you reorganize to form a Trust, LLC or other legal entity.

FSA and NRCS program participants are required to promptly report changes in their farming operation to the County Committee in writing and to update their *Farm Operating Plan* on form CCC-902.

To update your records, contact your County USDA Service Center.

Highly Erodible Land (HEL) and Wetland Conservation Compliance

Landowners and operators are reminded that in order to receive payments from USDA, compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions are required. Farmers with HEL determined soils are reminded of tillage, crop residue, and rotation requirements as specified per their conservation plan. Producers are to notify the USDA Farm Service Agency prior to breaking sod, clearing land (tree removal), and of any drainage projects (tiling, ditching, etc.) to ensure compliance. Failure to update certification of compliance, with form AD-1026, triggering applicable HEL and/or wetland determinations, for any of these situations, can result in the loss of FSA farm program payments, FSA farm loans, NRCS program payments, and premium subsidy to Federal Crop Insurance administered by RMA.

Receipt for Service - Improving Customer Service

Did you know that, as a customer in any USDA service center, employees are required, per federal law and USDA regulations, to provide you with a computer-generated receipt at the end of your visit? This Receipt for Service details the type of service you requested, the service and response provided by the staff, and the date and time of your visit.

The 2014 Farm Bill designated that FSA, Natural Resources Conservation Service (NRCS) and Rural Development (RD) employees are statutorily required to provide producers a receipt when a current or prospective producer or landowner interacts or engages with the Agency regarding a USDA benefit or service.

On behalf of our customers, FSA employees are required to enter receipts timely and create only one receipt per customer per visit, regardless of the number of employee interactions a customer may encounter in a single visit. A single receipt will be generated that provides a summary of the customer's visit on behalf of the other employees who also met with the customer on the same day. Employees must also ensure that all services rendered are properly reflected in that receipt.

Issuing a receipt is required by our offices. If you do not receive a receipt, please be sure to request one. For more information, FSA's Receipt for Service handbook is now available online.

Don't leave the office without your receipt!

Reminder: Insurance Linkage Requirements for Payments Received Through the Emergency Relief Program

Producers who received an Emergency Relief Program (ERP) payment need to meet ERP insurance linkage requirements by purchasing crop insurance, or Noninsured Crop Disaster Assistance Program (NAP) coverage where crop insurance is not available.

Purchase coverage must be at the 60/100 coverage level or higher for insured crops or at the catastrophic coverage level or higher for NAP crops for the next two available crop years, which will be determined from the date you received an ERP payment and may vary depending on the timing and availability of coverage. The insurance coverage requirement applies to the physical location of the county where the crop was located and for which an ERP payment was issued.

Contact your crop insurance agent or local FSA county office as soon as possible to ask about coverage options. Producers who do not obtain the applicable coverage by the sales/application closing date will be required to refund the ERP benefits received on the applicable crop, plus interest. To determine which crops are eligible for federal crop insurance or NAP, visit the RMA website.

Signature Policy

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits.

The following are FSA signature guidelines:

- Married individuals must sign their given name.
- Example—Mary Doe and John Doe are married. When signing FSA forms, each must use their given name, and may not sign with the name of their spouse. Mrs. Mary Doe may not sign documents as Mrs. John Doe. For Farm Loan Purposes, spouses may not sign on behalf of the other as an authorized signatory, a signature will be needed for each. For a minor, FSA requires the minor's signature and one from the minor's parent. There are certain exceptions where a minor's signature may be accepted without obtaining the signature of one of the parents. Despite minority status, a youth executing a promissory note for a Youth Loan will incur full personal liability for the debt and will sign individually.

Note: By signing a document with a minor, the parent is liable for actions of the minor and may be liable for refunds, liquidated damages, or other penalties, etc.

When signing on one's behalf the signature must agree with the name typed or printed on the form or be a variation that does not cause the name and signature to be in disagreement. Example - John W. Smith is on the form. The signature may be John W. Smith or J.W. Smith or J. Smith. Or Mary J. Smith may be signed as Mrs. Mary Joe Smith, M.J. Smith, Mary Smith, etc.

FAXED signatures will be accepted for certain forms and other documents provided the acceptable program forms are approved for FAXED signatures. Producers are responsible for the successful transmission and receipt of FAXED information.

Examples of documents not approved for FAXED signatures include:

- Promissory note

- Assignment of payment
- Joint payment authorization
- Acknowledgement of commodity certificate purchase

Spouses may sign documents on behalf of each other for FSA and CCC programs in which either spouse has an interest, unless written notification denying a spouse this authority has been provided to the county office.

Spouses cannot sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations or other similar entities. Likewise, a spouse cannot sign a document on behalf of the other in order to affirm the eligibility of oneself.

Any member of a general partnership can sign on behalf of the general partnership and bind all members unless the Articles of Partnership are more restrictive. Spouses may sign on behalf of each other's individual interest in a partnership, unless notification denying a spouse that authority is provided to the county office. Acceptable signatures for general partnerships, joint ventures, corporations, estates, and trusts must consist of an indicator "by" or "for" the individual's name, individual's name and capacity, or individual's name, capacity, and name of entity.

Regular Maintenance Requirements for all CRP Contracts

The Conservation Reserve Program (CRP) is a program administered by the Farm Service Agency (FSA) to conserve farmland for future generations while providing habitat for wildlife, reducing soil erosion, and improving water quality. Regular maintenance on CRP acres is needed to ensure the acreage continues to provide conservation benefits and remains in compliance with the CRP contract.

Regular Maintenance

Producers with CRP contracts are required to control all weeds, insects, pests, and other undesirable species to the extent necessary to ensure that the approved conservation cover is adequately protected and to ensure there is no adverse impact on surrounding land. Mowing is one of the allowable practices for weed control, but mowing for aesthetic purposes is never permitted. The Conservation Plan states the required weed control methods for each site.

Once a stand has been certified as fully established, participants are required to maintain plant diversity and stand density according to the Conservation Plan and offer (CRP-2) for the life of the contract. Stands that do not meet practice specific plant diversity or density requirements may be considered non-compliant. Refer to your conservation plan or contact FSA if you have any questions or concerns about the vegetative cover requirements.

Maintenance activities cannot occur during the primary nesting season for birds without written prior approval from the local county office. The primary nesting season in Virginia is April 15 through August 15.

Mid-Contract Management

Regular maintenance for weed and pest control is separate from the Mid-Contract Management (MCM) requirement. MCM ensures plant diversity and wildlife benefits while ensuring protection of the soil and water resources. Such activities are site-specific and are for the purpose of enhancing the approved cover.

MCM must be completed between years four and six of a 10-year contract and between years seven and nine of a 15-year contract. The Conservation Plan will state what year MCM must take place.

Noncompliance with Maintenance Requirements

Failure to adequately maintain the stand may result in noncompliance with the terms and conditions of the CRP contract. Noncompliance can result in adverse actions up to and including termination of the CRP contract. Contracts that are out of compliance are ineligible to re-enroll, unless the stand is brought back into compliance prior to the enrollment deadline.

For general information about CRP, visit the Conservation Reserve Program webpage. For information about specific contracts, reach out to the local FSA office.

Ask the Expert: A Q&A on Youth Loans with Tina Mellinger

In this *Ask the Expert*, Tina Mellinger answers questions about Farm Service Agency (FSA) Youth Loans. Tina is a Farm Loan Manager in Ohio and has worked for FSA for 37 years. Her FSA farm loan team makes an average of around 50 loans each year, with around five of those being Youth Loans. Her entire career has been centered around loan-making. At the beginning of her career, she worked for Rural Development making home loans.

Tina grew up on a 50-cow dairy farm in southeastern Ohio. She earned an animal science and ag education degree from the Ohio State University.

To read the full blog, visit farmers.gov/blog/ask-expert-qa-on-youth-loans-with-tina-mellinger.

Submit Loan Requests for Financing Early

The Farm Loan team is already working on operating loans for spring 2025 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.

Disaster Set-Aside Program for Farm Loan Borrowers

Farm Service Agency (FSA) borrowers with farms located in designated primary or contiguous disaster areas who are unable to make their scheduled FSA loan payments should consider the Disaster Set-Aside (DSA) program.

DSA is available to producers who suffered losses as a result of a natural disaster and relieves immediate and temporary financial stress. FSA is authorized to consider setting aside the portion of a payment/s needed for the operation to continue on a viable scale.

Borrowers must have at least two years left on the term of their loan in order to qualify.

Borrowers have eight months from the date of the disaster designation to submit a complete application. The application must include a written request for DSA signed by all parties liable for the debt along with production records and financial history for the operating year in which the disaster occurred. FSA may request additional information from the borrower in order to determine eligibility.

All farm loans must be current or less than 90 days past due at the time the DSA application is complete. Borrowers may not set aside more than one installment on each loan.

The amount set-aside, including interest accrued on the principal portion of the set-aside, is due on or before the final due date of the loan.

For more information, contact your County USDA Service Center or visit fsa.usda.gov.

NRCS Conducting Cropland Survey

Virginia producers may be asked by the USDA to participate in a survey to gather information about the use of conservation practices on cultivated cropland.

The 2025 Conservation Effects Assessment Project (CEAP) survey is a joint effort between USDA's Natural Resources Conservation Service (NRCS) and National Agricultural Statistics Service (NASS). NASS has begun contacting approximately 23,000 producers across the contiguous U.S. to determine survey eligibility. A more in-depth follow-up survey will be conducted starting in November of this year.

Once surveying is complete, NRCS will combine the data with information from the National Resources Inventory, NRCS field staff and multiple data sources to estimate environmental and management outcomes of conservation measures on cultivated cropland across American farms. NRCS will publish the findings as a CEAP cropland assessment report that will quantify the effects of voluntary conservation efforts across the nation at both regional and national scales.

Selected Interest Rates for September 2025

90-Day Treasury Bill	4.375%
Farm Operating Loans — Direct	4.875%
Farm Ownership Loans — Direct	5.875%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.875%
Emergency Loans	3.750%
Farm Storage Facility Loans - (7 years)	4.000%
Commodity Loans 1996-Present	5.000%

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Top of page

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