#### **April 2021**





### Farm Service Agency Electronic News Service

# **NEWSLETTER**

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### Louisiana FSA Newsletter

## Louisiana Farm Service Agency

3737 Government Street Alexandria. LA 71302

## Acting State Executive Director:

**Christine Normand** 

#### **State Committee:**

Ray Young, Chairperson John Earles Kristy Jones Julie Richard Donna Winters

## **Upcoming Important Dates**

- April 5 CFAP2 reopened for at least 60 days
- CRP General signup has been extended with no deadline date at this time

Louisiana FSA now offers SMS texting; receive text message alerts on your cell phone regarding important deadlines, reporting requirements and updates. Contact your local FSA Office for more information.

All USDA Service Centers in Louisiana are currently closed to visitors because of the pandemic, but Farm Service Agency (FSA) and Natural Resources Conservation Service (NRCS) staff continue to work with agricultural producers via phone, email, and other digital tools.

## Next State Committee Meeting:

To be determined

Call your Service Center to schedule an appointment. You can find contact information at farmers.gov/service-locator.

Please contact your local FSA Office for questions specific to your operation or parish.

To find contact information for your local office go to www.fsa.usda.gov/la

### **New to Farming Because of the Pandemic? USDA Can Help**

USDA Service Centers across the country, are hearing from people who are interested in more space and working the land and we want to let you know we can help. Are you new to farming because of the pandemic? USDA can help you get started in farming – on everything from helping you register your farm to getting financial assistance and advice.

#### Get Started with USDA

First, you want to make sure your farm is registered. If you purchased land, it might already be established with USDA's Farm Service Agency (FSA) with a farm number on file. If not, FSA can help you register your farm.

To obtain a farm number, you'll bring an official tax ID (Social Security number or an employer ID) and a property deed. If you do not own the land, bring a lease agreement to your FSA representative to show you have control of the property. If your operation is incorporated or an entity, you may also need to provide proof that you have signature authority and the legal ability to enter into contracts with USDA.

#### **Access to Capital**

USDA can provide access to capital through its farm loans, which is a great resource when producers aren't able to get a loan from a traditional lender. Loans can help with purchasing land or equipment or with operating costs, and FSA even offers microloans, which are especially popular among producers with smaller farms. For more information, <a href="mailto:check out our Farm Loan Discovery Tool">check out our Farm Loan Discovery Tool</a>.

#### **Conservation Practices**

We can help you make conservation improvements to your farm, which are good for your bottom line and your operation. We'll help you develop a conservation plan and apply for financial assistance that'll cover the bulk of the costs for implementing. To learn more about some of the conservation practices that we help producers with, <a href="https://check.out.our.conservation.new">check.out.our.conservation.new Video</a> Series.

If you purchase land, and you don't want to farm all of it, you can look at either a conservation easement or managing for native shrubs and grasses through either the Agricultural Conservation Easement Program (ACEP) or Conservation Reserve Program (CRP). Easements are long-term,

while a CRP contract is 10-15 years. These are good options for land that is not optimal for production or sensitive lands like wetlands and grasslands.

#### **Additional Resources**

Depending on your farm, you may want to look at crop insurance. The USDA's Risk Management Agency provides crop insurance to help you manage risks on your farm. There are <u>many types of insurance products available</u> for a wide variety of production practices, including organic and sustainable agriculture.

Your local communities also have great resources for farmers including conservation districts, Rural Development, cooperative extensions, and different farming groups. To get started with USDA, please visit <u>farmers.gov/service-locator</u> to find your local office.

# **USDA Service Centers Provide Free, One-on-One Help for Farmers**

At USDA, we are committed to helping farmers complete loan applications, environmental reviews, and other paperwork free of charge. One-on-one support is available at more than 2,300 USDA Service Centers nationwide. USDA's Farm Service Agency and Natural Resources Conservation Service staff are usually co-located at these Service Centers and can help guide farmers to the best USDA assistance based on their unique goals, whether it is loans, conservation programs, or insurance.

Service Center staff can guide farmers through the process of preparing and submitting required paperwork on their own, with no need to hire a paid preparer. Language translation service is available in all USDA Service Centers, so one-on-one assistance with a Service Center employee can be translated in real time for farmers requiring it. And while some program and loan applications do have an administrative fee for filing, there is never a charge for preparation services provided by USDA staff.

Farmers who work with the USDA Service Center can:

- Establish their farm by registering for a farm number, which is required for USDA programs and assistance.
- Learn how to meet conservation compliance provisions.
- Verify eligibility for USDA programs.
- · Discuss their business and conservation goals.
- Create a conservation plan.
- Fill out and file loan and program applications.

We are committed to delivering USDA programs and services to America's farmers and ranchers while taking safety measures in response to COVID-19. We encourage you to <a href="mailto:check the status of your local USDA Service Center">check the status of your local USDA Service Center</a> to discuss your business needs.

# **USDA** Announces No Actions Under Feedstock Flexibility Program

The USDA Commodity Credit Corporation (CCC) announced that it does not expect to purchase and sell sugar under the Feedstock Flexibility Program for crop year 2020, which runs from Oct. 1, 2020 to Sept. 30, 2021.

The CCC is required by law to quarterly announce estimate of sugar to be purchased and sold under the Feedstock Flexibility Program based on crop and consumption forecasts.

Federal law allows sugar processors to obtain loans from USDSA with maturities of up to nine months when the sugarcane or sugar beet harvest begins. On loan maturity, the sugar processor may repay the loan in full or forfeit the collateral (sugar) to USDA to satisfy the loan.

The Feedstock Flexibility Program, initially authorized in the 2008 Farm Bill, was reauthorized by Congress in the 2018 Farm Bill as an option to avoid sugar forfeitures. Under the Feedstock Flexibility Program, if USDA is faced with the likelihood of loan forfeitures, it is required to purchase surplus sugar and sell it to bioenergy producers to reduce the surplus in the food use market and support sugar prices. USDA's March 9, 2021, World Agricultural Supply and Demand Estimates report (<a href="www.usda.gov/oce/commodity/wasde">www.usda.gov/oce/commodity/wasde</a>) projects that crop year 2020 U.S. ending sugar stocks are unlikely to lead to forfeitures. Therefore, currently, USDA does not expect to purchase and sell sugar under the Feedstock Flexibility Program for crop year 2020.

USDA will closely monitor domestic sugar stocks, consumption imports, and other sugar market variables on an ongoing basis and will continue to administer the sugar program as transparently as possible using the latest available data. The next quarterly estimate regarding the Feedstock Flexibility Program will occur on or before July 1, 2021.

# **Change to Policy on Filing a Notice of Loss for Grazed Forage Producers with NAP Coverage**

For the 2021 and subsequent crop years, NAP forage producers with the intended use of grazing who elect to use independent assessments or other approved alternative loss percentage methods to establish their loss are no longer required to file a CCC-576 Notice of Loss with FSA. However, a CCC-576 Application for Payment form must be submitted to FSA no later than 60 calendar days after the coverage period ends.

Producers that elect to have the grazing loss determined using similar mechanically harvested units still must timely file a CCC-576 Notice of Loss within 15 days of the disaster event or damage to the crop first becomes apparent or within 15 days of harvest.

# Farmers.gov Feature Helps Producers Find Farm Loans that Fit Their Operation

Farmers and ranchers can use the *Farm Loan Discovery Tool* on farmgers.gov to find information on USDA farm loans that may best fit their operations.

USDA's Farm Service Agency (FSA) offers a variety of loan options to help farmers finance their operations. From buying land to financing the purchase of equipment, FSA loans can help.

USDA conducted field research in eight states, gathering input from farmers and FSA farm loan staff to better understand their needs and challenges.

#### **How the Tool Works**

Farmers who are looking for financing options to operate a farm or buy land can answer a few simple questions about what they are looking to fund and how much money they need to borrow. After submitting their answers, farmers will receive information on farm loans that best fit their specific needs. The loan application and additional resources also will be provided.

Farmers can download application quick guides that outline what to expect from preparing an application to receiving a loan decision. There are four guides that cover loans to individuals, entities, and youth, as well as information on microloans. The guides include general eligibility requirements and a list of required forms and documentation for each type of loan. These guides can help farmers prepare before their first USDA service center visit with a loan officer.

Farmers can access the Farm Loan Discovery Tool by visiting farmers.gov/fund and clicking the "Start" button. Follow the prompts and answer five simple questions to receive loan information that is applicable to your agricultural operation. The tool is built to run on any modern browser like Chrome, Edge, Firefox, or the Safari browser, and is fully functional on mobile devices. It does not work in Internet Explorer.

#### **About Farmers.gov**

In 2018, USDA unveiled farmers.gov, a dynamic, mobile-friendly public website combined with an authenticated portal where farmers will be able to apply for programs, process transactions, and manage accounts.

The Farm Loan Discovery Tool is one of many resources on farmers.gov to help connect farmers to information that can help their operations. Earlier this year, USDA launched the *My Financial Information* feature, which enables farmers to view their loan information, history, payments, and alerts by logging into the website.

USDA is building farmers.gov for farmers, by farmers. In addition to the interactive farm loan features, the site also offers a Disaster Assistance Discovery Tool. Farmers can visit <a href="mailto:farmers.gov/recover/disaster-assistance-tool#step-1">farmers.gov/recover/disaster-assistance-tool#step-1</a> to find disaster assistance programs that can help their operation recover from natural disasters.

For more information, contact your local USDA Service Center or visit farmers.gov.

#### Preauthorized Debit Available for Farm Loan Borrowers

USDA's Farm Service Agency (FSA) has implemented pre-authorized debit (PAD) for Farm Loan Program (FLP) borrowers. PAD is a voluntary and alternative method for making weekly, bi-weekly, monthly, quarterly, semi-annual or annual payments on loans.

PAD payments are pre-authorized transactions that allow the National Financial and Accounting Operations Center (NFAOC) to electronically collect loan payments from a customer's account at a financial institution.

PAD may be useful if you use nonfarm income from regular wages or salary to make payments on loans or adjustment offers or for payments from seasonal produce stands. PAD can only be established for future payments.

To request PAD, customers, along with their financial institution, must fill out form RD 3550-28. This form has no expiration date, but a separate form RD 3550-28 must be completed for each loan to which payments are to be applied. A fillable form can be accessed on the USDA Rural Development (RD) website at <a href="mailto:rd.usda.gov/publications/regulations-guidelines">rd.usda.gov/publications/regulations-guidelines</a>. Click forms and search for "Form 3550-28."

If you have a "filter" on the account at your financial institution, you will need to provide the financial institution with the following information: Origination ID: 1220040804, Agency Name: USDA RD DCFO.

PAD is offered by FSA at no cost. Check with your financial institution to discuss any potential cost. Preauthorized debit has no expiration date, but you can cancel at any time by submitting a written request to your local FSA office. If a preauthorized debit agreement receives three payment rejections within a three-month period, the preauthorized debit agreement will be cancelled by FSA. The payment amount and due date of your loan is not affected by a cancellation of preauthorized debit. You are responsible to ensure your full payment is made by the due date.

For more information about PAD, contact your local USDA Service Center or visit fsa.usda.gov.

# Ask USDA available to answer questions about FSA programs

Ask USDA is now available as a tool for FSA customers to ask questions about FSA programs and services.

Ask USDA, available at <u>ask.usda.gov</u> is similar to AskFSA, which was decommissioned Sept. 21, but it also provides information for all USDA programs. Ask USDA allows USDA customers to search for and read answers about FSA programs and services in the same location as they read about other USDA programs and services.

Customers are able to submit questions through email, chat, and phone if they need more information. This improved customer service approach further builds on Secretary Sonny Perdue's OneUSDA vison and provides the customer a one-stop shopping experience that covers all of USDA's many programs.

### **Report Banking Changes to FSA**

Farm Service Agency (FSA) program payments are issued electronically into your bank account. In order to receive timely payments, you need to notify your FSA servicing office if you close your account or if your bank information is changed for any reason (such as your financial institution merging or being purchased). Payments can be delayed if FSA is not notified of changes to account and bank routing numbers.

For some programs, payments are not made until the following year. For example, payments for crop year 2019 through the Agriculture Risk Coverage and Price Loss Coverage program aren't paid until 2020. If the bank account was closed due to the death of an individual or dissolution of an

entity or partnership before the payment was issued, please notify your local FSA office as soon as possible to claim your payment.

### **Current Interest Rates for April**

- Farm Operating Loans Direct 1.500%
- Farm Ownership Loans Direct 2.875%
- Farm Ownership Loans Direct Down Payment, Beginning Farmer or Rancher 1.50%
- Emergency Loans 2.500%
- Farm Storage Facility Loans (3 years) 0.250%
- Farm Storage Facility Loans (5 years) 0.750%
- Farm Storage Facility Loans (7 years) 1.250%
- Farm Storage Facility Loans (10 years) —1.500%
- Farm Storage Facility Loans (12 years) 1.750%
- Sugar Storage Facility Loans (15 year term) 2.000%
- Commodity Loans 1.125%

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).