

Louisiana FSA Newsletter - August 2021

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# Gear Up for the 2021 Hurricane Season: Prepare and Recover with USDA

Hurricane season is underway, and it lasts until November 30. The National Oceanic and Atmospheric Administration (NOAA) predicts that the 2021 hurricane season will be above normal in the Atlantic and produce 13 to 20 named storms with six to 10 hurricanes and three to five major hurricanes. The eastern Pacific hurricane season will produce 12 to 18 named storms, with five to 10 hurricanes and two to five major hurricanes.

USDA is here to help you prepare for and recover from hurricane events.

Take precautions to prepare and protect your family and operation.

- **Develop an Emergency Plan** Ensure your household and employees know your hurricane plan, including meeting points, emergency contact lists, and alternate evacuation routes in case infrastructure is damaged.
- **Remove Debris and Secure Large Objects** Clean out culverts, ditches, and other drainage areas, especially before and during peak hurricane season to reduce water damage. Most injuries to animals, people, or structures during a hurricane are caused by flying objects. To lessen the risk, minimize the presence of equipment, supplies, and debris that may become airborne during high winds or encountered in floodwaters.
- Secure Important Records and Documents Pre- and post-hurricane documentation is extremely important for insurance compensation and recovery

assistance. You'll want to have thorough records of damages and losses sustained on your farm as well as documentation of your cleanup and recovery efforts.

It is critical to document inventory of farm buildings, vehicles, equipment, and livestock before a disaster occurs. Take photos, videos, or make written lists with descriptions. Keep copies of this inventory in multiple places: computer, off-site in a safe location, and on a cloud-based server where information is transmitted and saved weekly.

• Know Your Insurance Options - Regularly review your insurance policies with your agent to be sure you have adequate coverage, including flood insurance, for your facilities, vehicles, farm buildings, crops and livestock. Note, there are limitations on how soon insurance coverage will take effect. Generally, insurance policies will not cover damage if the policy was not in place before a disaster.

For counties within or adjacent to the area of sustained hurricane-force winds, the Risk Management Agency's (RMA) Hurricane Insurance Protection – Wind Index (HIP-WI) covers a portion of your underlying crop insurance policy's deductible. HIP-WI covers 70 crops and is available in counties near the Gulf of Mexico, the Atlantic, and Hawaii.

- **Gather Supplies** Have drinking water, canned food, a generator, batteries, a flashlight, and fuel available in case you lose power. For widespread outages, credit and debit cards may not work, so have cash handy.
- Access Real-time Emergency Information Download the FEMA app for free on the App Store and Google Play for safety tips on what to do before, during, and after disasters.

Learn more about how USDA can help you recover.

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

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 <u>farmers.gov/cfap2/commodities</u>. 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 <u>farmers.gov/service-locator</u>. 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.

# USDA Accepts 2.8 Million Acres for the Conservation Reserve Program

The U.S. Department of Agriculture (USDA) has accepted 2.8 million acres in offers from agricultural producers and private landowners for enrollment into the Conservation Reserve Program (CRP) in 2021. This year, almost 1.9 million acres in offers have been accepted through the General CRP Signup, and USDA's Farm Service Agency (FSA) has accepted over 897,000 acres for enrollment through the Continuous Signup. The Continuous Signup remains open and CRP Grasslands Signup closed last week, so USDA expects to enroll more acres into all of CRP than the 3 million acres that are expiring.

The 4-million-acre shortfall in CRP would have had the following impacts:

• More than 359,000 acres less annual forage under CRP Grasslands;

- A loss of 1,500,000 acres of quality wildlife and pollinator less habitat for wildlife;
- 20% fewer apiaries in major production regions meeting critical forage thresholds;
- A loss of more than 4 million upland game and other grassland birds;
- About 90 million pounds of nitrogen entering waterways;
- Over 30 million tons of soil eroded, leading to increased pollution and sedimentation in streams and rivers; and
- Foregone sequestration of more than 3 million metric tons of CO2.

Like other USDA conservation programs, CRP is a voluntary program that has a variety of options that can be tailored to the specific conservation issues of a state or region and desires of the landowner. The options run the gamut from working lands such as CRP Grasslands to partnerships with states and private entities to target a specific joint concern such as water quality or quantity.

#### **Continuous CRP Signup**

Continuous CRP allows USDA to target the most sensitive land like highly erodible land, the most environmentally beneficial land like wetlands and buffers along streams and rivers, or locally identified critical habitat like State Acres For Wildlife. This targeted approach also reduces the whole-farm type enrollment in CRP that was more common when it first began and helps meet the conservation goals while maintaining the majority of the land in production agriculture. FSA has accepted offers from over 37,000 producers to enroll more than 897,000 acres through the Continuous Signup. This is double the enrollment from last year and three times the enrollment from 2018 and 2019. FSA expects this process to be completed by the end of September so contracts may start on October 1, 2021.

The growth in the targeted enrollment through Continuous Signup is due to a recommitment of USDA to incentives and partnerships that brought in nearly 1.4 million acres in 2016 and 2017. These efforts have also included the expansion of the Clean Lakes, Estuaries, and Rives Initiative 30-year (CLEAR30) from two regions to nationwide as well as moving State Acres for Wildlife Enhancement (SAFE) practices from the General to the Continuous signup. This year, offers for 20,000 acres have been submitted for CLEAR30 and 296,000 acres in SAFE practices.

#### **General CRP Signup**

FSA opened the General CRP Signup 56 in January 2021 and extended the original deadline to July 23, 2021, to enable producers to consider FSA's new improvements to the program, which included higher rental payments and more incentivized environmental practices.

Additionally, FSA introduced a new Climate-Smart Practice Incentive to increase carbon sequestration and reduce greenhouse gas emissions. This incentive provides a 3%, 5% or 10% incentive payment based on the predominate vegetation type for the practices enrolled – from grasses to trees to wetland restoration.

Through CRP, producers and landowners 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. In addition to the other well-documented benefits, lands enrolled in CRP is playing a key role in mitigating impacts from climate change.

A full list of changes to CRP, including those to the Continuous and General Signups, can be found in our "What's New with CRP" <u>fact sheet</u>.

#### **More Information**

In April, <u>USDA announced several changes</u> to CRP to increase participation while improving climate-related and other environmental benefits. CRP sequesters carbon while preserving topsoil, mitigating greenhouse gas emissions, reducing nitrogen runoff, and providing healthy habitat for wildlife.

The 2018 Farm Bill established a nationwide acreage limit for CRP, with the total number of acres that may be enrolled capped at 25 million acres in 2021 and growing to 27 million by 2023.

Under the Biden-Harris Administration, USDA is engaged in a whole-of-government effort to combat the climate crisis and conserve and protect our nation's lands, biodiversity, and natural resources, including our soil, air, and water. Through conservation practices, USDA aims to enhance economic growth and create new streams of income for farmers, ranchers, producers, and private foresters. Successfully meeting these challenges will require USDA and our agencies to pursue a coordinated approach alongside USDA stakeholders, including state, local, and tribal governments.

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris Administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit <u>www.usda.gov</u>.

## USDA Offers Disaster Assistance for Producers Facing Inclement Weather

Severe weather events create significant challenges and often result in catastrophic loss for agricultural producers. Despite every attempt to mitigate risk, your operation may suffer losses. USDA offers several programs to help with recovery.

#### **Risk Management**

For producers who have risk protection through <u>Federal Crop Insurance</u> or the <u>Noninsured</u> <u>Crop Disaster Assistance Program</u> (NAP), we want to remind you to report crop damage to your crop insurance agent or the local Farm Service Agency (FSA) office.

If you have crop insurance, contact your agency within 72 hours of discovering damage and be sure to follow up in writing within 15 days. If you have NAP coverage, file a Notice of Loss (also called Form CCC-576) within 15 days of loss becoming apparent, except for hand-harvested crops, which should be reported within 72 hours.

#### **Disaster Assistance**

USDA also offers disaster assistance programs, which is especially important to livestock, fruit and vegetable, specialty and perennial crop producers who have fewer <u>risk management</u> <u>options</u>.

First, the Livestock Indemnity Program (LIP) and Emergency Assistance for Livestock, Honeybee and Farm-raised Fish Program (ELAP) reimburses producers for a portion of the value of livestock, poultry and other animals that died as a result of a qualifying natural disaster event or for loss of grazing acres, feed and forage. And, the Livestock Forage Disaster Program (LFP) provides assistance to producers of grazed forage crop acres that have suffered crop loss due to a qualifying drought. Livestock producers suffering the impacts of drought can also request Emergency Haying and Grazing on Conservation Reserve Program (CRP) acres.

Next, the <u>Tree Assistance Program</u> (TAP) provides cost share assistance to rehabilitate and replant tree, vines or shrubs loss experienced by orchards and nurseries. This complements NAP or crop insurance coverage, which cover the crop but not the plants or trees in all cases.

For LIP and ELAP, you will need to file a Notice of Loss for livestock and grazing or feed losses within 30 days and honeybee losses within 15 days. For TAP, you will need to file a program application within 90 days.

#### Documentation

It's critical to keep accurate records to document all losses following this devastating cold weather event. Livestock producers are advised to document beginning livestock numbers by taking time and date-stamped video or pictures prior to after the loss.

Other common documentation options include:

- Purchase records
- Production records
- Vaccination records
- Bank or other loan documents
- Third-party certification

#### **Other Programs**

The <u>Emergency Conservation Program</u> and <u>Emergency Forest Restoration Program</u> can assist landowners and forest stewards with financial and technical assistance to restore damaged farmland or forests.

Additionally, FSA offers a variety of loans available including emergency loans that are triggered by disaster declarations and operating loans that can assist producers with credit needs. You can use these loans to replace essential property, purchase inputs like livestock, equipment, feed and seed, or refinance farm-related debts, and other needs.

Meanwhile, USDA's Natural Resources Conservation Service (NRCS) provides financial resources through its <u>Environmental Quality Incentives Program</u> to help with immediate needs and long-term support to help recover from natural disasters and conserve water resources.

Assistance may also be available for emergency animal mortality disposal from natural disasters and other causes.

#### **Additional Resources**

Additional details – including payment calculations – can be found on our <u>NAP</u>, <u>ELAP</u>, <u>LIP</u>, and <u>TAP</u> fact sheets. On farmers.gov, the <u>Disaster Assistance Discovery Tool</u>, <u>Disaster-at-a-Glance fact sheet</u>, and <u>Farm Loan Discovery Tool</u> can help you determine program or loan options.

While we never want to have to implement disaster programs, we are here to help. To file a Notice of Loss or to ask questions about available programs, contact your local USDA Service Center.

# Environmental Review Required Before Project Implementation

The National Environmental Policy Act (NEPA) requires Federal agencies to consider all potential environmental impacts for federally funded projects before the project is approved.

For all Farm Service Agency (FSA) programs, an environmental review must be completed before actions are approved, such as site preparation or ground disturbance. These programs include, **but are not limited to**, the Emergency Conservation Program (ECP), Farm Storage Facility Loan (FSFL) program and farm loans. If project implementation begins before FSA has completed an environmental review, the request will be denied. Although there are exceptions regarding the Stafford Act and emergencies, it's important to wait until you receive written approval of your project proposal before starting any actions.

Applications cannot be approved until FSA has copies of all permits and plans. Contact your local FSA office early in your planning process to determine what level of environmental review is required for your program application so that it can be completed timely.

### The Importance of Responding to NASS Surveys

USDA's National Agricultural Statistics Service (NASS) conducts hundreds of surveys every year and prepares reports covering virtually every aspect of U.S. agriculture.

During the first two weeks of September, the U.S. Department of Agriculture's (USDA) National Agricultural Statistics Service (NASS) will be contacting farmers nationwide to determine the stocks of grains and oilseeds on farms in the United States. In Louisiana, producers will be contacted for on-farm storage of corn and soybeans as of September 1.

Producers are encouraged to respond conveniently online at <u>agcounts.usda.gov</u>. The online questionnaire is fast and secure. They may also return their completed surveys by mail.

NASS will analyze the survey information and publish the state and national results in the quarterly Grain Stocks report on September 30. These survey data also contribute to the

USDA's World Agricultural Outlook Board's monthly World Agricultural Supply and Demand Estimates (WASDE).

If you receive a survey questionnaire, please respond quickly and online if possible.

NASS safeguards the privacy of all respondents and publishes only aggregate data, ensuring that no individual operation or producer can be identified.

NASS data is available online at <u>nass.usda.gov/Publications</u> and through the searchable <u>Quick Stats database</u>. Watch a video on how NASS data is used at <u>youtube.com/watch?v=m-4zjnh26io&feature=youtu.be</u>.

# Lenders Can Now Apply for New Heirs' Property Relending Program

Intermediary lenders can now apply for loans through the new Heirs' Property Relending Program (HPRP). The U.S. Department of Agriculture (USDA) is accepting applications today through October 29, 2021, and cooperatives, credit unions and nonprofit organizations are encouraged to apply for these competitive loans, which ultimately will help agricultural producers and landowners resolve heirs' land ownership and succession issues.

Through HPRP, FSA loans up to \$5 million at a 1% interest rate to eligible lenders. Then, those eligible lenders will reloan funds to heirs to help resolve title issues by financing the purchase or consolidation of property interests and financing costs associated with a succession plan.

#### How to Apply

Intermediary lenders should apply by the October 29, 2021 deadline using the <u>HPRP</u> <u>application form (FSA-2637)</u>, which can be submitted to FSA by mail:

FSA Deputy Administrator for Farm Loan Programs Loan Making Division STOP 0522 1400 Independence Avenue, S.W. Washington, DC 20250

Additionally, FSA will host a webinar on September 15 at 2 p.m. ET for interested lenders, who can register or learn more on the <u>FSA Outreach and Education webpage</u>.

#### **Eligible Lenders Intermediary lenders must:**

- be certified as a community development financial institution, and
- have experience and capability in making and servicing agricultural and commercial loans that are similar in nature.

If applications exceed the amount of available funds, FSA will prioritize applicants that both:

• have at least 10 years or more of experience with socially disadvantaged farmers; and

• are located in states that have adopted a statute consisting of enactment or adoption of the Uniform Partition of Heirs Property Act (UPHPA). A list of these states is available at <u>gov/heirs/relending</u>.

#### **More Information**

<u>Frequently asked questions</u> (including those in Spanish, Thai and Chinese), the <u>August 3</u>, <u>2021 overview webinar</u>, and other resources can be found on <u>farmers.gov/heirs/relending</u>.

After the loans are announced, USDA will distribute information for heirs on how to apply. Information for heirs is also on <u>farmers.gov/heirs/relending</u>.

# **Communication is Key in Lending**

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be successful. FSA staff will provide guidance and counsel from the loan application process through the borrower's graduation to commercial credit. While it is FSA's commitment to advise borrowers as they identify goals and evaluate progress, it is crucial for borrowers to communicate with their farm loan staff when changes occur. It is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation
- Any significant changes to family income or expenses
- The development of problem situations
- Any losses or proposed significant changes in security

If a farm loan borrower can't make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options.

For more information on FSA farm loan programs, contact your local USDA Service Center or visit <u>fsa.usda.gov</u>.

### **Important Dates**

- Sept. 6 USDA Service Centers will be closed in observance of Labor Day
- Oct. 12 CFAP2 signup deadline
- **Oct. 29** is the final date USDA will accept applications for the Heirs' Property Relending Program
- Nov. 1 is the final date to apply for the Organic Certification Cost Share Program (OCCSP)
- Nov. 2 County Committee election ballots will be mailed to eligible voters

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.

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

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