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Farm Service Agency Electronic News Service

EWSLETTER

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Minnesota FSA Newsletter: April 2021

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Minnesota Farm Service State Executive Director Comments

Spring has arrived, field work is in progress, and we anticipate a successful and bountiful 2021 crop season. Our county office staff is busy creating acreage reporting maps, wrapping up WHIP+ and QLA applications, accepting CFAP 2 applications under the extended signup period, accepting CRP enrollment offers, and processing farm loan applications. The agency is developing policy and regulation as preparations are made for implementation of the American Rescue Plan. I encourage you to read the articles included in the April newsletter to determine if there are other FSA programs that may be of interest and fit your farming operation.

As of April 12th, most Minnesota Service Centers will be allowed to have limited visitors, by appointment only. Appointments will be limited to situations that are deemed critical and where producers cannot be served through phone, email, or other online tools. Staff continues to promote our electronic options for sharing and signing FSA forms. Visitors will be required to complete a COVID screening questionnaire prior to their appointment. Visitors will be required to wear a mask while in the service center and practice social distancing. Currently, service centers are allowed fifty percent of

Brian Hartman Glenn Schafer their staff in the office. We continue to focus on the safety of our staff and customers as our number one priority.

State Committee: Scott Winslow - Chair Kurt Blomgren Jim Kukowski Jay Nord Mike Yost In closing, I would like to thank you for your patience as FSA continues to provide customer service using non-traditional methods. Our county office staff has become very adept at finding creative ways to serve our customers. Customers are asked to call their local FSA office to determine the most effective and efficient way we can offer assistance. Your needs continue to be a priority for our teams.

To find contact information for your local office go to:

Respectfully,

www.fsa.usda.gov/mn

Michelle Page, Acting State Executive Director

USDA Announces Funding Available to Organizations to Assist Socially Disadvantaged Farmers and Ranchers under Pandemic Assistance for Producers Initiative

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) announced the availability of \$2 million to establish partnerships with organizations to provide outreach and technical assistance to socially disadvantaged farmers and ranchers. The funding was made possible by USDA's new Pandemic Assistance for Producers initiative, an effort to distribute resources more broadly and to put greater emphasis on outreach to small and socially disadvantaged producers impacted by the pandemic.

FSA's Coronavirus Food Assistance Program 2 (CFAP 2) signup reopened April 5, 2021, as part of the Pandemic Assistance for Producers initiative. Farmers and ranchers will have at least 60 days to apply or make modifications to existing CFAP 2 applications.

Cooperative Agreements

The cooperative agreements will support participation in programs offered by FSA, including those that are part of USDA's Pandemic Assistance for Producers initiative. Interested organizations must submit proposals by May 5, 2021.

Outreach and technical assistance cooperative agreements support projects that:

- Increase access and participation of socially disadvantaged applicants in FSA programs and services.
- Improve technical assistance for socially disadvantaged applicants related to county committees focused on urban agriculture as well as FSA programs, including loan, disaster assistance, conservation and safety-net programs.

FSA will prioritize review of proposals that support outreach on CFAP 2. To ensure effective outreach during the signup period for CFAP 2, these applications will be reviewed immediately following the submission deadline for prioritized approval and project initiation.

This funding opportunity is available to non-profits having a 501(c)(3) status with the Internal Revenue Service (other than institutions of higher education), Federally recognized Native American tribal governments, Native American tribal organizations (other than Federally recognized tribal governments), and public and state-controlled institutions of higher education, including 1890 land grant institutions and 1994 tribal land-grant colleges and universities.

Awards will range from \$20,000 to \$99,999 for a duration between six months and one year. Applications focusing primarily on CFAP 2 will be expedited. For other proposals, FSA anticipates announcing or notifying successful and unsuccessful applicants by June 20, 2021 and expects to have Federal awards in place by September 1, 2021.

For more information, view the cooperative agreement opportunity on <u>grants.gov</u> (No. USDA-FSA-MULTI-21-NOFO0001104) or visit fsa.usda.gov/cooperativeagreements.

Reopening of CFAP 2

CFAP 2 provides financial assistance that gives producers the ability to absorb increased marketing costs associated with the COVID-19 pandemic. Eligible commodities include specialty crops, livestock, dairy, row crops, aquaculture, floriculture and nursery crops. The initial CFAP 2 signup ended on Dec. 11, 2020, but USDA will reopen sign-up for CFAP 2 for at least 60 days beginning today. Visit farmers.gov/cfap for details on all eligible commodities, producer eligibility, payment limitations and structure and additional program resources.

Producers have multiple options to apply for CFAP 2, including through an online application portal and by working directly with the FSA office at their local USDA Service Center. Customers seeking one-on-one support with the CFAP 2 application process can call 877-508-8364 to speak directly with a USDA employee ready to offer assistance. This is a recommended first step before a producer engages with the team at the FSA county office.

Additional CFAP Actions

USDA will also finalize routine decisions and minor formula adjustments on applications and begin processing payments for certain applications filed as part of the CFAP Additional Assistance. The Consolidated Appropriations Act, 2021, enacted December 2020 requires FSA to make certain payments to producers according to a mandated formula.

While USDA offices are currently closed to visitors because of the pandemic, Service Center staff continue to work with agricultural producers via phone, email, and other digital tools. To conduct business, please contact your local <u>USDA Service Center</u>. Additionally, more information related to USDA's response and relief for producers can be found at <u>farmers.gov/coronavirus</u>.

American Rescue Plan Socially Disadvantaged Farmer Debt Payments

USDA recognizes that socially disadvantaged farmers and ranchers have faced systemic discrimination with cumulative effects that have, among other consequences, led to a substantial loss in the number of socially disadvantaged producers, reduced the amount of farmland they control, and contributed to a cycle of debt that was exacerbated during the COVID-19 pandemic. During the pandemic, socially disadvantaged communities saw a disproportionate amount of COVID-19 infection rates, loss of property, hospitalizations, death, and economic hurt.

To address these systemic challenges, the American Rescue Plan Act of 2021 provides historic debt relief to socially disadvantaged producers including Black/African American, American Indian or Alaskan native, Hispanic or Latino, and Asian American or Pacific Islander.

USDA is now reviewing and working to gather feedback to implement the Act, and more guidance will be forthcoming for socially disadvantaged borrowers with direct or guaranteed farm loans as well as Farm Storage Facility Loans. As information becomes available, it will be provided directly to socially disadvantaged borrowers and stakeholder groups representing socially disadvantaged producers, posted here on farmers.gov, and shared through our social media channels, email newsletters, and the media.

Any socially disadvantaged borrower with direct or guaranteed farm loans as well as Farm Storage Facility Loans qualifies. The American Rescue Plan Act uses the 2501 definition of socially disadvantaged, which includes Black/African American, American Indian or Alaskan native, Hispanic or Latino, and Asian American or Pacific Islander. Gender is not a criterion in and of itself, but of course women are included in these categories.

I qualify as socially disadvantaged under the American Rescue Plan definition, but I am not late on my payments. Do I still qualify?

Yes. Any socially disadvantaged borrower with direct or guaranteed farm loans as well as Farm Storage Facility Loans qualifies.

When will qualified borrowers begin to see a loan pay-off or other payment in response to the American Rescue Plan?

USDA is now reviewing and working to gather feedback to implement the Act, and more guidance will be forthcoming for socially disadvantaged borrowers with direct or guaranteed farm loans as well as Farm Storage Facility Loans. For borrowers in arrears, the moratorium established on January 26th to stop all debt collections, foreclosures and evictions for all borrowers, including socially disadvantaged producers, remains in effect.

Producers who have worked with USDA's Farm Service Agency previously may have their ethnicity and race on file. A borrower, including those with guaranteed loans, can contact their local their local USDA Service Center to verify, update or submit a new ethnicity and race designation using the AD-2047. Find your nearest service center at farmers.gov/service-locator.

To learn more about USDA's work to implement the American Rescue Plan Act of 2021, visit www.usda.gov/arp.

Maps for Acreage Reporting are Available

Maps are now available at your local County FSA Office for acreage reporting purposes. If you wish to receive your maps by e-mail, please call or email your local FSA Office to request your maps.

Please see the following acreage reporting deadlines for Minnesota:

- January 2 Honey (1-NAP)
- January 15 Apples
- April 1 Maple Sap (1-NAP)
- **May 1 –** Asparagus (1-NAP)
- May 31 Nursery crops (1-NAP)
- July 15 Spring seeded crops including Hemp and Wild Rice
- August 15 Beans other than dry edibles
- **September 30 –** Turfgrass Sod and Floriculture (1-NAP)
- **November 15 –** Apiculture and Fall-seeded Small Grains

In order to maintain program eligibility and benefits, you must file timely acreage reports. Failure to file an acreage report by the crop acreage reporting deadline may cause ineligibility for future program benefits. FSA will not accept acreage reports provided more than a year after the acreage reporting deadline.

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 <u>check the status of your local USDA Service Center</u> and make an appointment to discuss your business needs.

USDA Offers New Forest Management Incentive for Conservation Reserve Program

The U.S. Department of Agriculture (USDA) is making available \$12 million for use in making payments to forest landowners with land enrolled in the Conservation Reserve Program (CRP) in exchange for their implementing healthy forest management practices. Existing CRP participants can now sign up for the Forest Management Incentive (FMI), which provides financial incentives to landowners with land in CRP to encourage proper tree thinning and other practices.

Right now, less than 10% of land currently enrolled in CRP is dedicated to forestland. But, these nearly 2 million acres of CRP forestland, if properly managed, can have enormous benefits for natural resources by reducing soil erosion, protecting water quality, increasing water quantity, and diversifying local farm operations and rural economies.

Only landowners and agricultural producers with active CRP contracts involving forest cover can enroll. However, this does not include active CRP contracts that expire within two years. Existing CRP participants interested in tree thinning and prescribed burning must comply with the standards and specifications established in their CRP contract.

CRP participants will receive the incentive payment once tree thinning and/or other authorized forest management practices are completed.

The incentive payment is the lower of:

- The actual cost of completing the practice; or
- 75% of the payment rate offered by USDA's Natural Resources Conservation Service (NRCS) if the practice is offered through NRCS conservation programs.

CRP signup is currently open. FSA will announce deadline later this year. Interested producers should contact their local FSA county office.

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 farmers.gov/recover/disaster-assistance-tool#step-1 to find disaster assistance programs that can help their operation recover from natural disasters.

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

If you have experienced delays in receiving Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments, Loan Deficiency Payments (LDPs) and Market Gains on Marketing Assistance Loans (MALs), it may be because you have not filed form CCC-941, *Adjusted Gross Income Certification*.

If you don't have a valid CCC-941 on file for the applicable crop year you will not receive payments. All farm operator/tenants/owners who have not filed a CCC-941 and have pending payments should IMMEDIATELY file the form with their recording county FSA office. Farm operators and tenants are encouraged to ensure that their landowners have filed the form.

FSA can accept the CCC-941 for 2018, 2019, 2020 and 2021. Unlike the past, you must have the CCC-941 certifying your AGI compliance before any payments can be issued.

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.

Unauthorized Disposition of Grain Results in Financial Penalties

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and your name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.

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).