Minnesota FSA Newsletter: June 16, 2021

In This Issue:

- <u>USDA Announces Dates for Conservation Reserve Program General and Grasslands</u>
 Signups
- USDA Opens Signup for CLEAR30, Expands Pilot to Be Nationwide
- <u>USDA Announces Streamlined Guaranteed Loans and Additional Lender Category for</u> Small-Scale Operators
- Reporting Organic Crops
- File a Notice of Loss for Failed and Prevented Planted Acres
- Change to Policy on Filing a Notice of Loss for Grazed Forage Producers with NAP Coverage
- Maintaining Good Credit History
- Report Noninsured Crop Disaster Assistance Program (NAP) Losses
- CRP Haying and Grazing

State Executive Director Comments

As we officially approach summer, much of our state is experiencing extremely dry conditions, impacting row and specialty crops, forage, and pastures. Our state and local service centers continue to monitor drought conditions, including weekly drought monitor updates, since this has a direct impact on eligibility for Secretarial Disaster Designations which can result in a producer's ability to apply for low interest emergency loans. Extended periods of time in a D2, D3, or D4 drought level may also trigger county eligibility for the Livestock Forage Program (LFP). If USDA-FSA programs become eligible to producers due to the drought, state and local level news releases will be published.

Our county offices are very busy with acreage reporting and preparing for the issuance of 100 percent of the calculated Quality Loss Adjustment (QLA) payment and an additional 40 percent of 2019 WHIP+ payments. The additional 2019 WHIP+ payment results in total overall payment of 90 percent.

Another hot topic is general and continuous CRP signup. Recent changes in the expansion and renewal of CRP with higher payment rates, new incentives, and a focus on the program's role in climate change mitigation, resulted in the need for producers to resubmit offers they had previously made for continuous CRP signup 55 or general CRP signup 56. Resubmitting offers ensures a producer's offer reflects the changes made to the program. I encourage you to contact your local FSA office to discuss details related to the recent changes and to schedule an appointment to resubmit or make a new offer. Articles included in this newsletter provide additional details.

Our Minnesota service centers are allowed limited visitors, by appointment only. Appointments are 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 and wear a mask while in the service center if not fully vaccinated. Fully vaccinated staff and visitors are not required to wear a mask.

Your compliance with the safety protocol is appreciated and allows us to continue to provide some limited inperson service.



Currently, we are in the FSA county committee nomination period. I encourage you to consider pursuing a seat on your local county committee if your Local Administrative Area (LAA) is scheduled for an election this year. County office staff is more than happy to assist you with the nomination process which runs through August 2, 2021.

To help you learn more, Minnesota FSA is hosting a webinar on COC nominations and elections that is open to the public on Thursday, June 24 from

12:00- 1:30 p.m. CDT. You can join the webinar through the following link or call in information: <u>Click HERE to join the Minnesota Webinar</u>, or call 1-202-650-0123 using access code: 717 995 160#.

Since spring showers have been lacking this year, I am hopeful the coming weeks provide much needed precipitation so struggling crops can recover and result in a bountiful harvest. As always, FSA staff is committed to assisting with your program needs. Please reach out to local staff if you have any questions on programs FSA has to offer.

Respectfully,

Michelle Page, Acting State Executive Director

USDA Announces Dates for Conservation Reserve Program General and Grasslands Signups

USDA has set a July 23 deadline for agricultural producers and landowners to apply for the CRP General signup 56 and will accept applications for CRP Grasslands from July 12 to August 20.

The U.S. Department of Agriculture (USDA) has set a July 23, 2021, deadline for agricultural producers and landowners to apply for the Conservation Reserve Program (CRP) General signup 56. Additionally, USDA's Farm Service Agency (FSA) will accept applications for CRP Grasslands from July 12 to August 20. This year, USDA updated both signup options to provide greater incentives for producers and increase its conservation benefits, including reducing the impacts of climate change.

Both signups are competitive and will provide for annual rental payments for land devoted to conservation purposes.

General Signup

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. Lands enrolled in CRP also play a key role in mitigating impacts from climate change, and FSA has added a new Climate-Smart Practice Incentive for practices that sequester carbon and reduce greenhouse gas emissions.

FSA is also adding a one-time "inflationary" adjustment for payment rates, as well as having more flexibility on adjusting soil rental rates.

FSA opened the <u>General Signup</u> in January 2021 and extended the original deadline to July 23, 2021, to enable producers to consider FSA's new improvements to the program.

Grasslands Signup

<u>CRP Grasslands</u> helps landowners and operators protect grassland, including rangeland, and pastureland and certain other lands, while maintaining the areas as grazing lands. Protecting grasslands contributes positively to the economy of many regions, provides biodiversity of plant and animal populations, and improves environmental quality.

FSA has updated the Grasslands Signup to establish a minimum rental rate of \$15 per acre, as well as new National Grassland Priority Zones.

How to Sign Up

To enroll in the CRP General signup, producers and landowners should contact their local <u>USDA Service</u> <u>Center</u> by the July 23 deadline. To enroll in the CRP Grasslands signup, they should contact USDA by the August 20 deadline. While USDA offices may have limited visitors because of the pandemic, Service Center staff continue to work with agricultural producers via phone, email, and other digital tools. To work with FSA, producers and landowners should contact their local <u>USDA Service Center</u>. Contact information can be found at <u>farmers.gov/service-locator</u>.

More Information on CRP

Signed into law in 1985, CRP is one of the largest voluntary private-lands conservation programs in the United States. It was originally intended to primarily control soil erosion and potentially stabilize commodity prices by taking marginal lands out of production. The program has evolved over the years, providing many conservation and economic benefits. The program marked its 35-year anniversary this past December.



Under the Biden-Harris Administration, USDA is engaged in a whole-ofgovernment 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 www.usda.gov.

USDA Opens Signup for CLEAR30, Expands Pilot to Be Nationwide



Landowners and agricultural producers currently enrolled in the Conservation Reserve Program (CRP) now have a wider opportunity to enroll in a 30-year contract through the Clean Lakes, Estuaries, And Rivers initiative, called CLEAR30. The U.S. Department of Agriculture (USDA) is expanding CLEAR30 – a water-quality focused option available through CRP – to be nationwide now.

Interested producers with CRP contracts expiring September 30, 2021, should sign up by August 6, 2021. CLEAR30 provides an opportunity for

producers to receive incentives for a 30-year commitment to water quality practices on their CRP land, building on their original 10- to 15-year CRP contracts.

These long-term contracts ensure that practices remain in place for 30 years, which improves water quality through reducing sediment and nutrient runoff and helping prevent algal blooms.

About CLEAR30

CLEAR30 was created by the 2018 Farm Bill to better address water quality concerns. Originally, CLEAR30 was only available in the Great Lakes and Chesapeake Bay watersheds. Now, access is expanded to agricultural producers nationwide.

Eligible producers must have certain water quality benefitting practices currently enrolled under continuous CRP or through the Conservation Reserve Enhancement Program (CREP), under contracts that are expiring on September 30, 2021.

These long-term contracts will help ensure that conservation impacts and benefits remain in place for 30 years, reducing sediment and nutrient runoff and, ultimately, algal blooms. Conservation in riparian areas also provides important carbon sequestration benefits. Traditional CRP contracts run from 10 to 15 years.

Annual rental payments for landowners who enroll in CLEAR30 will be equal to the current Continuous CRP annual payment rate plus a 20% water quality incentive and annual rate adjustment of 27.5%.

How to Sign Up

To sign up for CLEAR30, contact your local USDA Service Center by August 6, 2021. While USDA offices may be 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 USDA Service Center. Contact information can be found at farmers.gov/service-locator.

More Information

CLEAR30 is an option available through CRP, which is one of the world's largest voluntary conservation programs with a long track record of preserving topsoil, sequestering carbon and reducing nitrogen runoff, as well providing healthy habitat for wildlife.

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. As such, CLEAR30 contracts receive a water quality incentive and a climate-smart practice incentive. Through conservation practices and partnerships, 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.

To enroll in CLEAR30, please contact your local USDA Service Center. For more information on CRP, visit fsa.usda.gov/crp.

USDA Announces Streamlined Guaranteed Loans and Additional Lender Category for Small-Scale Operators

Options Help More Beginning, Small and Urban Producers Gain Access to Credit

Producers can apply for a streamlined version of USDA guaranteed loans, which are tailored for smaller scale farms and urban producers EZ Guarantee Loans use a simplified application process to help beginning, small, underserved, and family farmers and ranchers apply for loans of up to \$100,000 from USDA-approved lenders to purchase farmland or finance agricultural operations.

A new category of lenders will join traditional lenders, such as banks and credit unions, in offering USDA EZ Guarantee Loans. Microlenders, which include Community Development Financial Institutions and Rural Rehabilitation Corporations, will be able to offer their customers up to \$50,000 of EZ Guaranteed Loans, helping to reach urban areas and underserved producers. Banks, credit unions and other traditional USDA-approved lenders, can offer customers up to \$100,000 to help with agricultural operation costs.

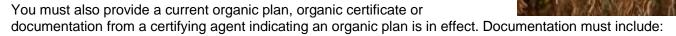
EZ Guarantee Loans offer low interest rates and terms up to seven years for financing operating expenses and 40 years for financing the purchase of farm real estate. USDA-approved lenders can issue these loans with the Farm Service Agency (FSA) guaranteeing the loan up to 95 percent.

For more information about the available types of FSA farm loans, contact your local County USDA Service Center or visit <u>fsa.usda.gov/farmloans</u>.

Reporting Organic Crops

If you want to use the Noninsured Crop Disaster Assistance Program (NAP) organic price and selected the "organic" option on your NAP application, you must report your crops as organic.

When certifying organic acres, the buffer zone acreage must be included in the organic acreage.



- name of certified individuals
- address
- telephone number
- effective date of certification
- · certificate number
- list of commodities certified
- · name and address of certifying agent
- a map showing the specific location of each field of certified organic, including the buffer zone acreage

Certification exemptions are available for producers whose annual gross agricultural income from organic sales totals \$5,000 or less. Although exempt growers are not required to provide a written certificate, they are still required to provide a map showing the specific location of each field of certified organic, transitional and buffer zone acreage.

For questions about reporting organic crops, contact your local County USDA Service Center. To find your local office, visit http://offices.usda.gov.

File a Notice of Loss for Failed and Prevented Planted Acres

USDA Farm Service Agency (FSA) reminds you to report prevented planting and failed acres in order to establish or retain FSA program eligibility for some programs.

You should report crop acreage you intended to plant, but due to natural disaster, were prevented from planting. Prevented planting acreage must be reported on form *CCC-576*, *Notice of Loss*, no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA).

Contact your local FSA office for a list of final planting dates by crop.

If you're unable to report the prevented planting acreage within the 15 calendar days following the final planting date, a late-filed report can be submitted. Late-filed reports will only be accepted if FSA conducts a farm visit to assess the eligible disaster condition that prevented the crop from being planted. A measurement service fee will be charged.

Additionally, if you have failed acres, you should also use form *CCC-576, Notice of Loss*, to report failed acres.

For hand-harvested crops and certain perishables, you must notify FSA of damage or loss through the administrative County Office within 72 hours of the date of damage or loss first becomes apparent. This notification can be provided by filing a CCC-576, email, fax or phone. If you notify the County Office by any method other than by filing the CCC-576, you are still required to file a CCC-576, *Notice of Loss*, within the required 15 calendar days.

For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP), you must file a *Notice of Loss* within 15 days of the occurrence of the disaster or when losses become apparent. You must timely file a *Notice of Loss* for failed acres on all crops including grasses.

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

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.

Maintaining Good Credit History

Farm Service Agency (FSA) loans require applicants to have a satisfactory credit history. A credit report is requested for all FSA direct farm loan applicants. These reports are reviewed to verify outstanding debts, see if bills are paid timely and to determine the impact on cash flow.

Information on your credit report is strictly confidential and is used only as an aid in conducting FSA business.

Our farm loan staff will discuss options with you if you have an unfavorable credit report and will provide a copy of your report. If you dispute the accuracy of the information on the credit report, it is up to you to contact the issuing credit report company to resolve any errors or inaccuracies.

There are multiple ways to remedy an unfavorable credit score:

- Make sure to pay bills on time
 - Setting up automatic payments or automated reminders can be an effective way to remember payment due dates.
- Pay down existing debt
- Keep your credit card balances low
- Avoid suddenly opening or closing existing credit accounts

FSA's farm loan staff will guide you through the process, which may require you to reapply for a loan after improving or correcting your credit report.

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

Report Noninsured Crop Disaster Assistance Program (NAP) Losses

NAP provides financial assistance to you for crops that aren't eligible for crop insurance to protect against lower yields or crops unable to be planted due to natural disasters including freeze, hail, excessive moisture, excessive wind or hurricanes, flood, excessive heat and qualifying drought (includes native grass for grazing), among others.



To receive payment, you had to purchase NAP coverage for 2021 crops and file a notice of loss the earlier of 15 days of the occurrence of the disaster or when losses become apparent or 15 days of the final harvest date.

For hand-harvested crops and certain perishable crops, you must notify FSA within 72 hours of when a loss becomes apparent.

Eligible crops must be commercially produced agricultural commodities for which crop insurance is not available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

For more information on NAP, contact your local County USDA Service Center at or visit fsa.usda.gov/nap.

CRP Haying and Grazing

Haying and grazing of CRP acres is authorized under certain conditions to improve the quality and performance of the CRP cover or to provide emergency relief to livestock producers due to certain natural disasters. There are two types of haying and grazing authorization: non-emergency and emergency.

Emergency haying and grazing of CRP acres may be authorized within a county to provide relief to livestock producers in areas affected by a severe drought or similar natural disaster. Emergency haying and grazing status is reviewed and authorized each Thursday using the U.S. Drought monitor. Counties are approved for emergency haying and grazing due to drought conditions on a county by county basis, when a county is designated as level "D2 Drought - Severe" according to the U.S. Drought Monitor.

In general, non-emergency haying may be utilized every three years and non-emergency grazing may be utilized every two years. Additional grazing may be available to new and beginning farmers.

CRP participants requesting emergency or non-emergency haying and grazing must file a request with their county FSA office indicating the acres to be hayed or grazed before the activity begins.

Before CRP acres are declared eligible for haying or grazing, a modified conservation plan developed by NRCS or a technical service provider must be obtained. The modified conservation plan must be site specific, include the authorized duration and reflect local wildlife needs and concerns. The primary purpose must be to maintain vegetative cover, minimize soil erosion and protect water quality and wildlife habitat quality. These plans must ensure no long-term damage to the conservation cover is caused.

Emergency haying and grazing is authorized on all practices outside the primary nesting season including practices implemented under State Acres for Wildlife Enhancement (SAFE) such as CP38E SAFE-Grass when such activity is specifically outlined in the SAFE agreement. Contact your local office for State Specific restrictions related to SAFE. For non-emergency haying and grazing, all practices are eligible except for CP12 Wildlife Food Plot and several tree practices. Contact your FSA office for a full list of ineligible practices.

Acres ineligible for both emergency and non-emergency having and grazing include acres devoted to:

- Useful life easements;
- Land within 20 feet of a stream or other permanent water body; and
- Any acres where haying and or grazing would cause long-term damage to the CRP cover.

For more information on CRP haying and grazing visit <u>fsa.usda.gov/crp</u> or contact your FSA county office. To locate your FSA office, visit <u>farmers.gov/service-locator</u>.

Minnesota USDA Farm Service Agency

375 Jackson Street, Suite 400 Saint Paul, MN 55101

> Phone: 651-602-7700 Fax: 855-719-9917

Minnesota Farm Service Agency Acting State Executive Director: Michelle Page To find contact information for your local USDA Farm Service Agency Office go to: www.fsa.usda.gov/mn

Division Leaders: Cassie Buck Calvin Gellatly Angela Hanson State Committee: Scott Winslow - Chair Kurt Blomgren Jim Kukowski USDA is an equal opportunity provider, employer and lender.