September 2020





Farm Service Agency Electronic News Service

NEWSLETTER

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New York State FSA Newsletter

New York State Farm Service Agency

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Clark Putman

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USDA Accepting Applications to Help Cover Costs for Organic Certification

USDA's Farm Service Agency (FSA) announced that organic producers and handlers can apply for federal funds to assist with the cost of receiving and maintaining organic certification through the <u>Organic Certification Cost Share Program</u> (OCCSP). Applications for eligible certification expenses paid between Oct. 1, 2019, and Sept. 30, 2020, are due Oct. 31, 2020.

OCCSP provides cost-share assistance to producers and handlers of agricultural products for the costs of obtaining or maintaining organic certification under the USDA's National Organic Program. Eligible producers include any certified producers or handlers who have paid organic certification fees to a USDA-accredited certifying agent. Eligible expenses for cost-share reimbursement include application fees, inspection costs, fees related to equivalency agreement and arrangement requirements, travel expenses for inspectors, user fees, sales assessments and postage.

Mark Dennis

Farm Loan Chief:

John Liddington

To find contact information for your local New York office click here.

September Interest Rates:

Farm Storage Facility Loans:

3 year: 0.125% 5 year: 0.25% 7 year: 0.50% 10 year: 0.625% 12 year: 0.75%

Commodity Loans: 1.125%

Farm Loan Programs:

Farm Operating: 1.250% Farm Ownership: 2.250% Conservation Loans: 2.250% Direct Down Payment: 1.5% Joint Financing: 2.5%

nnis Changes in Reimbursement

Due to expected participation levels for fiscal year 2020, FSA revised the reimbursement amount through fiscal year 2023. Certified producers and handlers are now eligible to receive reimbursement for up to 50 percent of the certified organic operation's eligible expenses, up to a maximum of \$500 per scope.

This change is due to the limited amount of funding available and will allow a larger number of certified organic operations to receive assistance. If additional funding is authorized later, FSA may provide additional assistance to certified operations that have applied for OCCSP, not to exceed 75 percent of their eligible costs, up to \$750 per scope.

The changes to the payment calculation and maximum payment amount are applicable to all certified organic operations, regardless of whether they apply through an FSA county office or a participating state agency. State agencies that are interested in overseeing reimbursements to producers and handlers in their states must establish new agreements with FSA for fiscal 2020.

More Information

To learn more about organic certification cost share, please visit the OCCSP webpage, view the notice of funds availability on the Federal Register, or contact the FSA county office at your local USDA Service Center.

To learn more about USDA support for organic agriculture, visit <u>usda.gov/organic</u>.

One-Time PLC Yield Updates - Deadline September 30

Farm owners have a one-time opportunity to update PLC yields of covered commodities on the farm, regardless of Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC)program election. The deadline to request a PLC yield update is September 30, 2020.

The updated yield will be equal to 90 percent of the average yield per planted acre in crop years 2013-2017 (excluding any year where the applicable covered commodity was not planted), subject to the ratio obtained by dividing the 2008-2012 average national yield by the 2013-2017 average national yield for the covered commodity. If the reported yield in any year is less than 75 percent of the 2013-2017 average county yield, then the yield will be substituted with 75 percent of the county average yield.

The chart below provides the ratio obtained by dividing the 2008-2012 average national yield by the 2013-2017 average national yield for each covered commodity.

Covered Commodity National Yield Factor

Barley 0.9437

Canola 0.9643

Chickpeas, Large 1.0000

Chickpeas, Small	0.9760
Corn	0.9000
Crambe	1.0000
Flaxseed	1.0000
Grain Sorghum	0.9077
Lentils	1.0000
Mustard Seed	0.9460
Oats	0.9524
Peanuts	0.9273
Peas, Dry	0.9988
Rapeseed	1.0000
Rice, Long	0.9330
Rice, Medium	0.9887
Rice, Temp Japonica	0.9591
Safflower	1.0000
Seed Cotton	0.9000
Sesame Seed	0.9673
Soybeans	0.9000
Sunflower Seed	0.9396
Wheat	0.9545

It is the owner's choice whether to update or keep existing PLC yields. If a yield update is not made, then no action is required to maintain the existing PLC yield. An existing or updated PLC yield will be maintained and effective for crop years 2020 through 2023 (life of the 2018 Farm Bill).

PLC yields may be updated on a covered commodity-by-covered commodity basis using FSA form CCC-867.

For more information, reference resources and decision tools, visit <u>farmers.gov/arc-plc</u>. Contact your local Farm Service Agency Office for assistance – <u>farmers.gov/service-center-locator</u>.

FSA Offers Joint Financing Option on Direct Farm Ownership Loans

The USDA Farm Service Agency's (FSA) <u>Direct Farm Ownership loans</u> can help farmers and ranchers become owner-operators of family farms, improve and expand current operations, increase agricultural productivity, and assist with land topure to save farmland for future

generations.

There are three types of Direct Farm Ownership Loans: regular, down payment and joint financing. FSA also offers a <u>Direct Farm Ownership Microloan</u> option for smaller financial needs up to \$50,000.

Joint financing allows FSA to provide more farmers and ranchers with access to capital. FSA lends up to 50 percent of the total amount financed. A commercial lender, a State program or the seller of the property being purchased, provides the balance of loan funds, with or without an FSA guarantee. The maximum loan amount for a joint financing loan is \$600,000, and the repayment period for the loan is up to 40 years.

The operation must be an eligible farm enterprise. Farm Ownership loan funds cannot be used to finance nonfarm enterprises and all applicants must be able to meet general eligibility requirements. Loan applicants are also required to have participated in the business operations of a farm or ranch for at least three years out of the 10 years prior to the date the application is submitted. The applicant must show documentation that their participation in the business operation of the farm or ranch was not solely as a laborer.

For more information about farm loans, contact your local USDA Service Center.

Producers Urged to Consider NAP Risk Protection Coverage Before Crop Sales Deadlines

The USDA Farm Service Agency (FSA) encourages you to review available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the upcoming crop deadlines.

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available.

The following crops in New York have a NAP application deadlines approaching:

September 30: All Grasses, Mixed Forage, Clover and Alfalfa

September 30: All Fall & Spring Small Grains such as: Wheat, Barley, Oats, Rye, and Triticale

September 30: Value Loss Type Crops such as: Aquaculture, Christmas Trees, Floriculture, Mollusks, Mushrooms and Turf Grass Sod

November 20: Fruit Trees, Nut Trees & Perennial Crops such as: Apples, Asparagus, Blueberries, Grapes, Peaches, Pears, Rhubarb, and Strawberries

You can determine if crops are eligible for federal crop insurance or NAP by <u>visiting the RMA</u> <u>website</u>.

NAP offers higher levels of coverage, from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price. Producers of organics and crops marketed directly to consumers also may exercise the "buy-up" option to obtain NAP coverage of 100 percent of the average market price at the coverage levels of between 50 and 65 percent of expected production. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

For all coverage levels, the NAP service fee is the lesser of \$325 per crop or \$825 per producer per

county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties.

Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage.

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at <u>USDA's online Agent Locator</u>. You can use the <u>USDA Cost Estimator</u> to predict insurance premium costs.

For more information on NAP, service fees, sales deadlines, contact your local USDA Service Center or visit fsa.usda.gov.

Applying for Farm Storage Facility Loans

The Farm Service Agency's (FSA) Farm Storage Facility Loan (FSFL) program provides low-interest financing to help you build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

Eligible commodities include corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds harvested as whole grain, pulse crops (lentils, chickpeas and dry peas), hay, honey, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple sap & syrup, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Qualified facilities include grain bins, hay barns and cold storage facilities for eligible commodities.

Loans up to \$50,000 can be secured by a promissory note/security agreement, loans between \$50,000 and \$100,000 may require additional security, and loans exceeding \$100,000 require additional security.

You do not need to demonstrate the lack of commercial credit availability to apply. The loans are designed to assist a diverse range of farming operations, including small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

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

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.

USDA Announces Updates for Honeybee Producers

The Farm Service Agency (FSA) announced updates to the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) specific to honeybee producers. For honeybees, ELAP covers colony losses, honeybee hive losses (the physical structure) and honeybee feed losses in instances where the colony, hive or feed has been destroyed by a natural disaster or, in the case of colony losses, because of Colony Collapse Disorder. Colony losses must be in excess of normal mortality.

Updates include:

- Starting in 2020, you will have 15 days from when the loss is first apparent, instead of 30 days, to file a honeybee notice of loss, which provides consistency between ELAP and the Noninsured Crop Disaster Assistance Program, which also has a 15-day notice of loss period for honey.
- ELAP will now run according to the calendar year. Since you are still required to apply for payment within 30 calendar days of the end of the program year, the new signup deadline for calendar year 2020 losses is January 30, 2021.
- If you were paid for the loss of a honeybee colony or hive in either or both of the previous two years, you will be required to provide additional documentation to substantiate how your current year inventory was acquired.
- If the honeybee colony loss was caused by Colony Collapse Disorder, you must provide a producer certification that the loss was a direct result of at least three of the five symptoms of Colony Collapse Disorder, which include:
 - o the loss of live gueen and/or drone bee populations inside the hives;
 - rapid decline of adult worker bee population outside the hives, leaving brood poorly or completely unattended;
 - o absence of dead adult bees inside the hive and outside the entrance of the hive;
 - absence of robbing collapsed colonies; and
 - at the time of collapse, varroa mite and Nosema populations are not at levels known to cause economic injury or population decline.

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

Remember to discuss your USDA Farm Service Agency (FSA) account information only with people you recognize and trust. If you do not recognize the person calling you, ask to call them back at the number you know is your local USDA Service Center.

Additionally, USDA will not call you to confirm or obtain bank account numbers or call with offers of grants that have an application fee. If something sounds too good to be true, it probably is.

For example, if someone calls and says you can receive a large payment of money from USDA, all you must do is pay x amount of dollars first, that is a scam.

If you have questions about your FSA accounts, contact your local 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 be 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 Works with Stakeholders to Improve Prevented Planting Coverage

USDA's Risk Management Agency (RMA) announced it will make several improvements to Federal crop insurance prevented planting coverage. RMA will implement these changes for most spring crops with prevented planting coverage, starting in the 2021 crop year, and for all crops with prevented planting coverage, starting in the 2022 crop year.

The changes include:

- Expansion of the "1 in 4" requirement nationwide. Currently, only producers in the Prairie
 Pothole National Priority Area are subject to the requirement, which requires producers to
 plant acreage in at least one of the four most recent crop years to be eligible for prevented
 planting coverage on those acres.
- Allow acreage planted with an uninsured second crop following the failure of a first crop within the same crop year to, nonetheless, be included as prevented planting eligible acreage.
- Provide an exception allowing prevented planting of a different crop than the producer attempted to plant when a producer does not have a history of producing two crops in the same field if the producer can prove intention.
- Allow the use of an intended acreage report for the first two years, instead of only the first year, for producers in a new county, where they have never produced the crop.

RMA is authorizing additional flexibilities due to coronavirus. More information can be found at <u>farmers.gov/coronavirus</u>.

Conservation at Work Video Series

A new video series from NRCS and farmers.gov, *Conservation at Work*, presents short and easy to understand videos about popular conservation practices. These videos feature producers explaining how an individual practice helps their land and why they are using it.

The videos shine the spotlight on farmers, ranchers, and forestland owners from across the U.S. who explain why they've implemented the conservation practices and how they work on their land. They also provide insight into how each practice is helping them protect and improve resources and save time and money.

The first 15 videos cover:

- Brush Management
- Cover Crop
- Forest Stand Improvement
- Grade Stabilization
- Grassed Waterway
- High Tunnel
- No Till
- Nutrient Management
- Prescribed Grazing
- Pumping Station
- Sprinkler System
- Trails and Walkways
- Waste Storage

- Water & Sediment Control Basin
- Wetland Restoration

The Conservation at Work video series can be found at farmers.gov/conserve/conservationatwork.

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