### December 2020





### Farm Service Agency Electronic News Service

## NEWSLETTER

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### Pennsylvania State FSA Newsletter

## Pennsylvania Farm Service Agency

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# **USDA Offers Critical Programs and Services to Support American Agriculture**

Whether you're weathering the pandemic, overcoming retaliatory tariffs, facing natural disasters, or simply hoping to strengthen your operation, USDA offers programs and services to support your business needs.

### Coronavirus Food Assistance Program 2

### **State Executive Director:**

Gary H. Groves

#### **State Committee:**

Bonnie Wenger, Chair

Coronavirus Food Assistance Program 2, CFAP 2, builds upon the initial Coronavirus Food Assistance Program, CFAP 1. USDA is implementing CFAP 2 for agricultural producers who continue to face market disruptions and associated costs because of COVID-19. USDA will accept applications for CFAP 2 through December 11, 2020. More than 300 commodities are eligible for CFAP 2, including some that were ineligible for CFAP 1. Our CFAP 2 Eligible Commodities Finder makes it easy to determine eligibility of the commodities you grow or raise and provides commodity-specific

George Greig

payment rates. We encourage all producers to

visit farmers.gov/cfap to learn more about this program, including

options to apply.

Doug Graybill

Barron (Boots) Hetherington

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Bill Hoover

**Division Chiefs:** 

Rebecca Csutoras

Farm

**Programs** 

David
Poorbaugh Farm
Loan Programs

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

### **Seafood Trade Relief Program**

If you are a U.S. fisherman or woman impacted by retaliatory tariffs, you may qualify for funding through the <u>Seafood Trade Relief Program</u>. STRP is part of a relief strategy to provide support while the administration continues to work on free, fair, and reciprocal trade deals. Visit <u>farmers.gov/seafood</u> to learn more about program eligibility, including a list of seafood commodities covered through STRP and associated payment rates. Applications for STRP are due by December 14, 2020.

### **Disaster Assistance Programs**

USDA is here to help you prepare for, recover from, and build long-term resilience to natural disasters. I encourage all agricultural producers to visit <a href="farmers.gov/recover">farmers.gov/recover</a> for the latest USDA disaster assistance resources. You'll find information on a range of USDA disaster assistance programs and an online <a href="Disaster Assistance">Disaster Assistance</a> <a href="Discovery Tool">Discovery Tool</a> that provides targeted information through a few simple steps.

Most importantly, your <u>local USDA Service Center</u> is staffed with experts who know our disaster assistance programs inside and out.

### **Funding Opportunities**

USDA offers a variety of funding opportunities to help producers finance and grow their businesses. You can visit <a href="mailto:farmers.gov/fund">farmers.gov/fund</a> for the latest USDA farm loans information and use our <a href="mailto:Farm Loan Discovery Tool">Farm Loan Discovery Tool</a> to learn about loans options that might be right for you by answering five quick questions.

From headquarters through your local county office, we understand the inherent risks of agriculture and are committed to supporting America's producers, offering critical resources to help you build, sustain, and grow your operation. The FSA office at your local USDA Service Center is there to help with your CFAP 2 and STRP applications and to assist with loans and even natural disasters. We encourage you to <a href="mailto:check the status of your local USDA Service">check the status of your local USDA Service</a> Center and make an appointment to discuss your business needs.

# Dec. 11 Deadline Approaching for USDA Program for Farmers and Ranchers Impacted by COVID-19

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) reminds farmers and ranchers to apply for the Coronavirus Food Assistance Program 2 (CFAP 2) by Dec. 11, 2020. This

program provides direct relief to producers facing market disruptions and associated costs because of COVID-19.

With over 300 eligible commodities, from livestock and row crops to specialty crops and aquaculture, most farmers and ranchers are potentially eligible for CFAP 2.

Producers have several options for applying for the CFAP 2 program by the Dec. 11 deadline. Producers can find eligible commodities, payment rates, calculations and options to apply on farmers.gov/cfap.

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 general assistance. This is a recommended first step before a producer engages the team at the FSA county office. The call center can also provide service to non-English speaking customers. Customers will select 1 for English and 2 to speak with a Spanish speaking employee. For other languages, customers select 1 and indicate their language to the call center staff.

Additionally, farmers.gov offers a number of resources for producers interested in applying for CFAP 2, including:

- Eligible Commodities Finder
- Videos, including "How to Apply for CFAP 2"
- Blogs, including "Myth Debunked: Coronavirus Food Assistance Program 2"

A correction to the CFAP 2 rule is pending. In case a producer is affected by this correction, FSA will provide additional time to apply or edit their application.

CFAP 2 is a separate program from the first iteration of CFAP, now referred to as CFAP 1. Participating in CFAP 1 is not a prerequisite for participating in CFAP 2. Additionally, producers who applied for CFAP 1 will not be automatically enrolled in CFAP 2 and must complete a new application to be eligible for assistance.

Both CFAP 1 and CFAP 2 are self-certification programs, which means the applicant certifies the information submitted is correct. As part of the internal controls portion of CFAP 1, FSA is conducting spot checks of applications, asking producers to provide supporting documentation to verify the information on them. Producers are being selected using a statistically sound methodology. These CFAP 1 applicants will be contacted by FSA staff and asked to provide supporting documentation to verify the information certified by the producer on their CFAP 1 application.

# **USDA Reminds Dairy Producers of Dec. 11 Deadline for 2021 Safety-Net Enrollment**

The U.S. Department of Agriculture reminds dairy producers that the deadline to enroll in <u>Dairy Margin Coverage (DMC)</u> for calendar year 2021 is Friday, Dec. 11, 2020. USDA's Farm Service Agency (FSA) opened DMC signup in October to help producers manage economic risk brought on by milk price and feed cost disparities.

The DMC program, created by the <u>2018 Farm Bill</u>, offers reasonably priced protection to dairy producers when the difference between the all-milk price and the average feed cost (the margin) falls below a certain dollar amount selected by the producer.

### **Complete 2021 Enrollment/Evaluate Coverage Options**

For DMC enrollment, producers must certify with FSA that the operation is commercially marketing milk, sign all required forms, and pay the \$100 administrative fee unless the dairy operation qualifies for a limited resource, beginning, socially disadvantaged, or military veteran farmers and ranchers waiver.

Producers interested in DMC have the option to select a \$4.00 catastrophic level of coverage with no premium fee or they can choose to buy-up coverage where the premium is based on margin triggers between \$4.50 and \$9.50 on 5 to 95 percent of established production history.

To determine the appropriate level of DMC coverage for a specific dairy operation, producers can utilize the recently updated online dairy decision tool. The <u>decision tool</u> is designed to demonstrate the historical performance of DMC and assist producers with calculating total premium costs and administrative fees associated with participation in DMC. An informational video is available, too.

### 2020 Margin Payments

For producers enrolled in DMC for 2020, the fourth DMC payment of the year triggered in September at \$9.40. Including the September payment, dairy producers across the country have received 11 monthly payments for over \$472 million through DMC since the program began in January 2019.

#### **More Information**

For more information, visit <u>farmers.gov DMC webpage</u>, or contact your local USDA Service Center. To locate your local FSA office, visit farmers.gov/service-center-locator.

## **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="check the status of your local USDA Service Center">check the status of your local USDA Service Center</a> and make an appointment to discuss your business needs.

# **USDA** to Open Signup for the Conservation Reserve Program and CRP Grasslands in Early 2021

USDA today announced the 2021 signup periods for general Conservation Reserve Program (CRP) and CRP Grasslands offers. General signup for CRP will be open from January 4, 2021 to February 12, 2012; signup for CRP Grasslands runs from March 15, 2021 to April 23, 2021. Both programs are competitive and provide annual rental payments for land devoted to conservation purposes.

CRP and the many focused programs that come under it, like CRP Grasslands, are some of the most critical tools to help producers better manage their operations while conserving natural resources. CRP has proven to protect the Nation's valuable resources. Next year's signup gives farmers and ranchers an opportunity to enroll in CRP for the first time or continue their participation for another term.

Producers may apply by contacting their FSA office.

### **FSA Offers Loan Servicing Options**

There are options for Farm Service Agency (FSA) loan customers during financial stress. If you are a borrower who is unable to make payments on a loan, contact your local FSA Farm Loan Manager to learn about your options.

### **December 2020 Interest Rates**

### Farm Operating Loans

Farm Operating Loans - Direct	1.250 %
Farm Operating Loans - Microloan	1.250 %

### Farm Ownership Loans

Direct	2.375 %
Microloan	2.375 %
Joint Financing	2.500 %

Direct Down Payment, Beginning Farmer or 1.500 % Rancher

Emergency Loans 2.250 %

Farm Storage Facility Loans

Farm Storage Facility Loans (3 Year Term) 0.250 % Farm Storage Facility Loans (5 Year Term) 0.375 % Farm Storage Facility Loans (7 Year Term) 0.625 % Farm Storage Facility Loans (10 Year Term) 0.875 % Farm Storage Facility Loans (12 Year Term) 1.000 %

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).





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