July 2020





Farm Service Agency Electronic News Service

WSLETTER

GovDelivery

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Pennsylvania State FSA Newsletter

Pennsylvania Farm Service Agency

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USDA Reminds PENNSYLVANIA Producers to Complete Crop Acreage Reports

USDA's Farm Service Agency (FSA) reminds

Pennsylvania producers to complete crop acreage reports by the applicable deadline for their county. Acreage reporting dates vary by crop and by county. Contact your FSA county office for a list of

acreage reporting deadlines by crop.

State Executive Director:

The following acreage reporting dates are applicable in Pennsylvania:

Gary H. Groves

July 15, 2020:

State Committee:

Bonnie Wenger, Chair

George Greig

Cigar Filler Tobacco, Corn, Conservation Reserve Program, Fresh Market Sweet Corn, Fresh Market Tomatoes, Perennial Forage,

Grain Sorghum, Green Peas, Maryland Tobacco,

Tomatoes, Potatoes, Soybeans, Sweet Corn and all other crops not

listed

Doug Graybill

August 15, 2020:

Barron (Boots) Hetherington

Processing Beans, Cabbage

Bill Hoover

Division Chiefs:

Due to the pandemic, FSA has implemented acreage reporting flexibilities. FSA can work with producers to file timely acreage reports by phone, email, online tools and virtual meetings. Some FSA offices are open for in-person appointments, but you must call

Rebecca Csutoras

first to make an appointment.

Farm Programs

FSA offices are using Microsoft Teams software to virtually meet with producers to review maps and documents for certification.

David Poorbaugh

Producers who want to schedule a virtual appointment can download the Microsoft Teams app on their smart phone or tablet and call the FSA office for an appointment. You can also use Microsoft Teams from your personal computer without downloading

Farm Loan Programs

software.

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

FSA county offices in Pennsylvania provided/will provide maps upon request to producers along with instructions for completing and returning the maps through either mail, email or through commercially available free and secure online tools such as Box for file sharing and OneSpan for eSignature solutions. After planting is complete, producers must return the signed form certifying their acreage report to the FSA office through mail, email or the Box and OneSpan tools by July 15, 2020.

After completed maps and all acreage reporting information is received, FSA will make software updates and send producers the completed Report of Acreage form (FSA-578) to sign. Producers must return the signed form certifying their acreage report to the FSA office through mail, email, or Box by July 15, 2020.

The following exceptions apply to acreage reporting dates:

- If the crop has not been planted by the acreage reporting date, the acreage must be reported no later than 15 calendar days after planting is completed.
- If a producer has not timely filed an acreage report, the producer may file the acreage report within 30 days of the acreage reporting date. Because of the pandemic, late fees will be waived if filed within the 30 days.

FSA is also providing additional flexibilities for producers to file on acres with failed crops or crops that were prevented from planting because of extreme weather events. For insured crops, producers who timely filed a prevented planted claim with the reinsurance company but filed a Notice of Loss (CCC-576) form after the deadline will be considered timely filed for FSA purposes. For uninsured crops, producers may start a Notice of Loss by calling their FSA county office.

Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP- covered crops is the earlier of the dates listed above or 15 calendar days before grazing or harvesting of the crop begins.

USDA Issues First Coronavirus Food Assistance Program Payments

U.S. Secretary of Agriculture Sonny Perdue today announced the USDA Farm Service Agency (FSA) has already approved more than \$545 million in payments to producers who have applied for the Coronavirus Food Assistance Program. FSA began taking applications May 26, and the agency has received over 86,000 applications for this important relief program.

In the first six days of the application period, FSA has already made payments to more than 35,000 producers. Out of the gate, the top five states for CFAP payments are Illinois, Kansas, Wisconsin, Nebraska, and South Dakota. USDA has released data on application progress and program payments and will release further updates each Monday at 2:00pm ET. The report can be viewed at farmers.gov/cfap.

FSA will accept applications through August 28, 2020. Through CFAP, USDA is making available \$16 billion in financial assistance to producers of agricultural commodities who have suffered a five-percent-or-greater price decline due to COVID-19 and face additional significant marketing costs as a result of lower demand, surplus production, and disruptions to shipping patterns and the orderly marketing of commodities.

In order to do this, producers will receive 80 percent of their maximum total payment upon approval of the application. The remaining portion of the payment, not to exceed the payment limit, will be paid at a later date nationwide, as funds remain available.

Getting Help from FSA

New customers seeking one-on-one support with the CFAP 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 at their local USDA Service Center.

Producers can download the CFAP application and other eligibility forms from farmers.gov/cfap. Also, on that webpage, producers can find a payment calculator to help producers identify sales and inventory records needed to apply and calculate potential payments. Producers self-certify their records when applying for CFAP and that documentation is not submitted with the application. However, producers may be asked for their documentation to support the certification of eligible commodities, so producers should retain the information used to complete their application.

Those who use the online calculator tool will be able to print a pre-filled CFAP application, sign it, and submit it to your local FSA office either electronically or via hand delivery through an office drop box. Please contact your local office to determine the preferred delivery method for your local office. Team members at FSA county offices will be able to answer detailed questions and help producers apply quickly and efficiently through phone and online tools. Find contact information for your local office at farmers.gov/cfap.

Policy Clarifications

FSA has been working with stakeholder groups to provide further clarification to producers on the CFAP program. For example, the agency has published a matrix of common marketing contracts that impact eligibility for non-specialty crops and has provided a table that crosswalks common

livestock terms to CFAP cattle categories. Updated information can be found in the frequently asked questions section of the CFAP website.

More Information

To find the latest information on CFAP, visit farmers.gov/CFAP or call 877-508-8364.

May Margin Triggers Dairy Margin Coverage Program Payment

The U.S. Department of Agriculture's Farm Service Agency (FSA) today announced that the May 2020 income over feed cost margin was \$5.37 per hundredweight (cwt.), triggering the third payment of 2020 for dairy producers who purchased the appropriate level of coverage under the <u>Dairy Margin Coverage</u> (DMC) program.

To date, FSA has issued more than \$176 million in program benefits to dairy producers who purchased DMC coverage for 2020.

Authorized by the 2018 Farm Bill, DMC is a voluntary risk management program that offers protection to dairy producers when the difference between the all-milk price and the average feed price (the margin) falls below a certain dollar amount selected by the producer. Over 13,000 operations enrolled in the program for the 2020 calendar year.

Although DMC enrollment for 2020 coverage has closed, signup for 2021 coverage will begin October 13 and will run through December 11, 2020.

All USDA Service Centers are open for business, including some that are open to visitors to conduct business in person by appointment only. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service, or any other Service Center agency should call ahead and schedule an appointment. Service Centers that are open for appointments will prescreen visitors based on health concerns or recent travel and visitors must adhere to social distancing guidelines. Visitors may also be required to wear a face covering during their appointment. Field work will continue with appropriate social distancing. Our program delivery staff will be in the office, and they will be working with our producers in office, by phone, and using online tools. More information can be found at farmers.gov/coronavirus.

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.

Eligibility for Nominations for the 2020 County Committee Elections

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) county committees are a critical component of the day-to-day operations of FSA and allow grassroots input and local administration of federal farm programs.

Committees are comprised of locally elected agricultural producers responsible for the fair and equitable administration of FSA farm programs in their counties. Committee members are accountable to the Secretary of Agriculture. If elected, members become part of a local decision making and farm program delivery process.

A county committee is composed of three to 11 elected members from local administrative areas (LAA). Each member serves a three-year term. To be eligible for nomination and hold office as a committee member or alternate, a person must fulfill each of the following requirements: (1) be a

producer with an interest in farming or ranching operations, (2) participate or cooperate in any FSA program provided for by law, (3) be a U.S. citizen, (4) be of legal voting age, (5) meet the basic eligibility requirements, and (6) reside in the county or multi-county jurisdiction in which they will be serving.

All nomination forms for the 2020 election must be postmarked or received in the local USDA Service Center by Aug. 1, 2020 (or next business day). For more information on FSA county committee elections and appointments, refer to the FSA fact sheet: Eligibility to Vote and Hold Office as a COC Member available online at: fsa.usda.gov/elections.

USDA Announces Improvements to the Livestock Risk Protection Insurance Program This Summer

USDA's Risk Management Agency announced changes to the Livestock Risk Protection (LRP) insurance program for feeder cattle, fed cattle and swine starting this summer with the 2021 crop year. Changes include moving premium due dates to the end of the endorsement period and increasing premium subsidies to assist producers.

Specifically, the changes:

- Allow premiums to be paid at the end of the endorsement period, putting it in line with other policies.
- Increase the premium subsidy for coverage levels above 80 percent. Those with an 80 percent or higher coverage level will get a 5-percentage point subsidy increase.

You may buy LRP insurance throughout the year from Approved Insurance Providers (AIPs), with coverage prices ranging from 70 to 100 percent of the expected ending value of their animals. At the end of the insurance period, if the actual ending value is below the coverage price, you will be paid an indemnity for the difference. Premium rates, coverage prices and actual ending values are posted online daily.

Livestock insurance is sold and delivered solely through private insurance agents. A list of insurance agents is available online using the RMA <u>Agent Locator</u>. Learn more about livestock insurance and the modern farm safety net at <u>rma.usda.gov</u>.

CLEAR30 the first USDA program to offer 30-year Signup

The U.S. Department of Agriculture's Farm Service Agency (FSA) will open signup this summer for CLEAR30, a new pilot program that offers farmers and landowners an opportunity to enroll in a 30-year Conservation Reserve Program (CRP) contract. This pilot is available to farmers and landowners with expiring water-quality practice CRP contracts in the Great Lakes and Chesapeake Bay regions. The program signup period is July 6 to Aug. 21, 2020.

The pilot is available in Delaware, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, Ohio, Pennsylvania, Virginia, West Virginia and Wisconsin. Eligible producers must have expiring Clean Lakes, Estuaries and Rivers (CLEAR) initiative contracts, including continuous CRP Cropland contracts with water-quality practices or marginal pasturelands CRP contracts devoted to riparian buffers, wildlife habitat buffers or wetland buffers.

The longer contracts will help ensure that practices remain in place for 30 years, which will help reduce sediment and nutrient runoff and help prevent algal blooms. Traditional CRP contracts run from 10 to 15 years.

Annual rental payment for landowners who enroll in CLEAR30 will be equal to the current Continuous CRP annual payment rate plus an inflationary adjustment of 27.5 percent, since CLEAR30 contracts will be for 30 years – much longer than the 10 to 15-year contracts for Continuous CRP offers.

Another unique program feature is that FSA will help producers maintain CLEAR30 contract acreage.

USDA Service Centers are open for business by phone appointment only, and field work will continue with appropriate social distancing. While program delivery staff will continue to come into the office, they will be working with producers by phone and using online tools whenever possible. Anyone wishing to conduct business with the FSA, Natural Resources Conservation Service or any other Service Center agency is required to call to schedule a phone appointment. More information can be found at farmers.gov/coronavirus.

FSA Implements Set-Aside Loan Provision for Customers Impacted by COVID-19

Set-Aside Delays Loan Payments for Borrowers

USDA's Farm Service Agency (FSA) will broaden the use of the Disaster Set-Aside (DSA) loan provision, normally used in the wake of natural disasters, to allow farmers with USDA farm loans who are affected by COVID-19, and are determined eligible, to have their next payment set aside. In some cases, FSA may also set aside a second payment for farmers who have already had one payment set aside because of a prior designated disaster.

FSA direct loan borrowers will receive a letter with the details of the expanded Disaster Set-Aside authorities, which includes the possible set-aside of annual operating loans, as well as explanations of the additional loan servicing options that are available. To discuss or request a loan payment Set-Aside, borrowers should call or email the farm loan staff at their local FSA county office.

The set-aside payment's due date is moved to the final maturity date of the loan or extended up to twelve months in the case of an annual operating loan. Any principal set-aside will continue to accrue interest until it is repaid. This aims to improve the borrower's cashflow in the current production cycle.

FSA previously announced it was relaxing the loan-making process and adding flexibilities for servicing direct and guaranteed loans to provide credit to producers in need. Direct loan applicants and borrowers are encouraged to contact their local FSA county office to discuss loan making and servicing flexibilities and other needs or concerns. Customers participating in FSA's guaranteed loan programs are encouraged to contact their lender. Information on these flexibilities, and office contact information, can be found on farmers.gov/coronavirus.

FSA will be accepting most forms and applications by facsimile or electronic signature. Some services are also available online to customers with an eAuth account, which provides access to the farmers.gov portal where producers can view USDA farm loan information and certain program applications and payments. Customers can track payments, report completed practices, request conservation assistance and electronically sign documents. Customers who do not already have an eAuth account can enroll at farmers.gov/sign-in.

USDA Service Centers are open for business by phone appointment only, and field work will continue with appropriate social distancing. While program delivery staff will continue to come into the office, they will be working with producers by phone and using online tools whenever possible. All Service Center visitors wishing to conduct business with the FSA, Natural Resources

Conservation Service or any other Service Center agency are required to call their Service Center to schedule a phone appointment. More information can be found at farmers.gov/coronavirus.

July 2020 Interest Rates

Farm O	perating	Loans

Farm Operating Loans - Direct 1.375 % Farm Operating Loans - Microloan 1.375 %

Farm Ownership Loans

Direct	2.250 %
Microloan	2.250 %
Joint Financing	2.500 %
Direct Down Payment, Beginning Farmer or	1.500 %
D 1	

Rancher

Emergency Loans 2.375 %

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) 0.500 % Farm Storage Facility Loans (10 Year Term) 0.750 % Farm Storage Facility Loans (12 Year Term) 0.875 %

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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