

February 2020



Farm Service Agency **Electronic News Service**

NEWSLETTER

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Rhode Island FSA Newsletter

Rhode Island Farm Service Agency

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Warwick, RI 02886

Phone: 401-828-3120 Option 1.

www.fsa.usda.gov/ri

State Executive Director: W. Michael Sullivan

State Committee: Doreen Pezza, Kevin Breene, Ellen Puccetti, David Frerichs, Judith Carvalho

The State Committee meets the second Wednesday of every month subject to change.

County Office: 401-828-3120 Option 2,

Message from the State Executive Director

Greetings to Rhode Island Producers:

We all continue to wait for winter while all hoping the Pennsylvania ground hog was correct and Spring 2020 is just a few weeks away. While our New Year got off to a start under the Continuing Resolution of Congress we are pressing forward with few problems because of the situation.

We welcomed our new Program Technician who joined us this month and will be in the County Office ready to assist RI producers. We will have two Pathways Interns joining the State and County Offices in the near future. One intern is a proud URI graduate in Animal Sciences and currently a graduate degree candidate at Tuft's University will be joining us next month along with another graduate student at Clark University working on both an MBA and MS degrees in business and environmental sciences. They will be working with both the County and State Offices. We hope these two interns will assist with improved loan service and program delivery along with working with faculty at URI on better documentation of farmer's market prices.

We are also awaiting approval of a permanent Farm Loan Manager position from the DC authorities.

PROGRAM DEADLINES APPROACHING---MARCH 16, 2020

County Executive Director: Sheryl Michener

County Committee: Kim Coulter, Joseph Polseno, George Goulart Jr., Gilbert Rathbun Jr., John Sousa

The County Committee meets the first Wednesday of every month subject to change.

Farm Loan Office: 401-828-3120 Option 3.

Dates to Remember:

February 28th, deadline for agriculture producers to sign up for general CRP.

March 10th, Rhode Island Women in Ag Conference.

March 16th, last day to make your election for either the Agriculture Risk Coverage (ARC) or the Price Loss Coverage (PLC) program and to sign your annual enrollment contract.

March 16th, signup deadline to enroll your annual crops including hemp under the NAP program.

Two programs designed to assist RI producers with risk management have rapidly approaching end points for you to apply. The **Agricultural Risk Loss and Price Loss Coverage Program (ARC/PLC)** program provides financial support to producers where they have land tied to historic base acres of certain commodities and commodity price fluctuations. We have 100+ producers in Rhode Island who might benefit from this program. Most derive eligibility from historic corn production efforts, but other commodities that could trigger eligibility and payments include barley, oats and wheat. Stop by or call the County Office to determine your eligibility and opportunity. MARCH 16th – Get in and see Anne Belleville. Anne has been serving RI producers for over 45 years this year and we thank her for this remarkable milestone and her efforts.

NAP (Non Insured Crop Disaster Assistance Program)

Producers wanting to insure risk and obtain coverage of Annual Crops such as tomatoes, peppers, squash, beans among the many you produce are required to complete the process by MARCH 16th

This program is essential to providing some degree of income/revenue stabilization if you incur losses due to weather or unplanned events. Traditionally payments have been based on Boston wholesale market prices but we are working hard at the State and County Offices to demonstrate the exceptional values many Rhode Island producers obtain with their focus on direct marketing right from the farm or via our many Farmers Markets.

The **Agriculture Improvement Act of 2018**, also known as the **Farm Bill**, recognized **hemp** as an agricultural crop. DBR controls the opportunity for Rhode Island producers to be able to fully participant in this emerging market. **Nationally 42 States, 25 Native American Tribes and 1 US Territory** have filed notice with USDA DC on their intent to produce this crop. We are hoping to get DBR to submit so RI Producers will become eligible for all USDA Programs where Hemp might benefit. We anticipate hosting a workshop this spring.

Remember-Save the Date! March 10, 2020 Rhode Island will be holding their **6th Women in Agriculture Conference** at the Crowne Plaza Hotel in Warwick, RI. Tickets can be purchased through [Eventbrite](#).

USDA Announces Signup for Conservation Reserve Program

USDA opened signup for the Conservation Reserve Program (CRP) on December 9, 2019. The deadline for agricultural producers to sign up for general CRP is **February 28, 2020**, while signup for continuous CRP is ongoing.

Farmers and ranchers who enroll in CRP receive a yearly rental payment for voluntarily establishing long-term, resource-conserving plant species, such as approved grasses or trees (known as “covers”) to control soil erosion, improve water quality and develop wildlife habitat on marginally productive agricultural lands.

CRP has 22 million acres enrolled, but the 2018 Farm Bill lifted the cap to 27 million acres. This means farmers and ranchers have a chance to enroll in CRP for the first time or continue their participation for another term.

By enrolling in CRP, producers are improving water quality, reducing soil erosion, and restoring habitat for wildlife. This in turn spurs hunting, fishing, recreation, tourism, and other economic development across rural America.

CRP Enrollment Options

General Signup

CRP general signup will be held annually. The competitive general signup will now include increased opportunities for enrollment of wildlife habitat through the State Acres For Wildlife Enhancement (SAFE) initiative.

Continuous Signup

While some practices under SAFE will remain available through continuous signup, CRP continuous signup will focus primarily on water quality with the Clean Lakes, Estuaries, and Rivers (CLEAR) Initiative. The 2018 Farm Bill prioritizes water quality practices such as contour grass strips, filter strips, riparian buffers, wetlands and a new prairie strip.

USDA will also be working with Conservation Reserve Enhancement Program (CREP) partners to relaunch CREP continuous options in each state under new statutory provisions. CREP will continue to target high-priority local, state or regional conservation concerns.

Grasslands Signups

CRP Grasslands signup helps landowners and operators protect grassland, including rangeland, and pastureland and certain other lands while maintaining the areas as grazing lands. A separate CRP Grasslands signup will be offered each year following general signup.

Pilot Programs

Later in 2020, (FSA will roll out pilot programs within CRP: CLEAR 30, which allows contracts expiring with CLEAR practices to be

reenrolled in 30-year contracts and in the Soil Health and Income Protection Program (SHIPP) in the prairie pothole region. More information on these programs will be announced in the new year.

Land Transition

The CRP Transition Incentives Program (TIP) is an option for producers interested in transitioning land to a beginning farmer or rancher or a member of a socially disadvantaged group to return land to production for sustainable grazing or crop production. CRP contract holders no longer need to be a retired or retiring owner or operator to transition their land. TIP participants may have a lease less than five years with an option to purchase, and they have two years before the end of the CRP contract to make conservation and land improvements.

Previously Expired Land

Land enrolled in CRP under a 15-year contract that expired in September 2017, 2018 or 2019, may be eligible for enrollment if there was no opportunity for re-enrollment and the practice under the expired contract has been maintained.

CRP Rates and Payments

FSA recently posted updated soil rental rates for CRP. County average rates are posted on the [CRP Statistics webpage](#). Soil rental rates are statutorily prorated at 90 percent for continuous signup and 85 percent for general signup. The rental rates will be assessed annually. Under continuous signup, producers also receive incentives, including a signup incentive payment and a practice incentive payment.

To enroll in CRP, contact your local FSA county office or visit fsa.usda.gov/crp. To locate your local FSA office, visit farmers.gov/service-locator.

Contact USDA Farm Service Agency Now to Enroll in Key Safety Net Programs

March 16, 2020 is THE LAST day to make what is likely one of the most important business decisions you will make for your farming operation this year.

If you have not already visited your local Farm Service Agency (FSA) county office to make your election for either the Agriculture Risk Coverage (ARC) or the Price Loss Coverage (PLC) program and to sign your annual enrollment contract, you should call and make your appointment now.

Many of you are gearing up to head to the field for spring planting, but I cannot stress enough the importance of not letting this deadline get lost in the hectic day-to-day obligations of farm life. *If you fail to enroll for 2019 ARC or PLC, you will be ineligible to receive a payment for the 2019 crop year.*

ARC and PLC provide financial protections to farmers from substantial drops in crop prices or revenues and are vital economic safety nets for most American farms. These programs cover 20 commodities produced in the U.S.

FSA anticipates more than 1.7 million producers will enroll in ARC or PLC - that's a lot of producers to assist in a short period of time. As of Feb. 3, FSA records indicate that not many eligible farms in Rhode Island have completed their ARC or PLC enrollment for the 2019 crop year.

Want to maximize your time visiting with FSA? Inquire about deadlines and options for also enrolling in 2020 ARC or PLC and updating PLC payment yields. Our staff will help you make the most out of your visit or set you up with a future appointment to help check FSA programs off your lengthy "to do" list.

If you're still unsure about the choice of ARC or PLC, we offer online decision tools to help you determine the best program election for your farming operation. To access these tools, visit www.fsa.usda.gov/arc-plc.

Call RI FSA today at 401-828-3120 Option 2 for an appointment. To locate your local FSA office, visit farmers.gov/service-center-locator.

USDA Encourages Producers to Consider NAP Risk Protection Coverage Before Crop Sales Deadlines

The Farm Service Agency encourages producers to examine available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the applicable crop sales deadline. **March 16, 2020** is the final day to enroll your annual crops including hemp for 2020 crop year under the NAP Program.

Producers are reminded that crops not covered by insurance may be eligible for NAP. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage.

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, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

Producers can determine if crops are eligible for federal crop insurance or NAP by visiting <https://webapp.rma.usda.gov/apps/ActuarialInformationBrowser2018/CropCriteria.aspx>.

The 2018 Farm Bill reinstates 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.

Deadlines for coverage vary by state and crop. To learn more about NAP visit www.fsa.usda.gov/nap or contact your local USDA Service Center. To find your local USDA Service Centers go to <http://offices.usda.gov>.

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at USDA's online Agent Locator: <http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#>. Producers can use the USDA Cost Estimator, <https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx>, to predict insurance premium costs.

Higher Limits Now Available on USDA Farm Loans

Higher limits are now available for borrowers interested in USDA's farm loans, which help agricultural producers purchase farms or cover operating expenses. The 2018 Farm Bill increased the amount that producers can borrow through direct and guaranteed loans available through USDA's Farm Service Agency (FSA) and made changes to other loans, such as microloans and emergency loans.

Key changes include:

- The Direct Operating Loan limit increased from \$300,000 to \$400,000, and the Guaranteed Operating Loan limit increased from \$ 1.429 million to \$1.75 million. Operating loans help producers pay for normal operating expenses, including machinery and equipment, seed, livestock feed, and more.
- The Direct Farm Ownership Loan limit increased from \$300,000 to \$600,000, and the Guaranteed Farm Ownership Loan limit increased from \$1.429 million to \$1.75 million. Farm ownership loans help producers become owner-operators of family farms as well as improve and expand current operations.
- Producers can now receive both a \$50,000 Farm Ownership Microloan and a \$50,000 Operating Microloan. Previously, microloans were limited to a combined \$50,000. Microloans provide flexible access to credit for small, beginning, niche, and non-traditional farm operations.
- Producers who previously received debt forgiveness as part of an approved FSA restructuring plan are now eligible to apply for emergency loans. Previously, these producers were ineligible.
- Beginning and socially disadvantaged producers can now receive up to a 95 percent guarantee against the loss of principal and interest on a loan, up from 90 percent.

About Farm Loans

Direct farm loans, which include microloans and emergency loans, are financed and serviced by FSA, while guaranteed farm loans are financed and serviced by commercial lenders. For guaranteed loans, FSA provides a guarantee against possible financial loss of principal and interest.

For more information on FSA farm loans, visit www.fsa.usda.gov or contact your [local USDA service center](#).

USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning Farmers

The USDA Farm Service Agency (FSA) reminds producers that FSA offers targeted farm ownership and farm operating loans to assist underserved applicants as well as beginning farmers and ranchers.

USDA defines underserved applicants as a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. For farm loan program purposes, targeted underserved groups are women, African Americans, American Indians and Alaskan Natives, Hispanics and Asians and Pacific Islanders.

Underserved or beginning farmers and ranchers who cannot obtain commercial credit from a bank can apply for either FSA direct loans or guaranteed loans. Direct loans are made to applicants by FSA. Guaranteed loans are made by lending institutions who arrange for FSA to guarantee the loan. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. The FSA guarantee allows lenders to make agricultural credit available to producers who do not meet the lender's normal underwriting criteria.

The direct and guaranteed loan program provides for two types of loans: farm ownership loans and farm operating loans. In addition to customary farm operating and ownership loans, FSA now offers Microloans through the direct loan program. The focus of Microloans is on the financing needs of small, beginning farmer, niche and non-traditional farm operations. Microloans are available for both ownership and operating finance needs. To learn more about microloans, visit www.fsa.usda.gov/microloans.

To qualify as a beginning producer, the individual or entity must meet the eligibility requirements outlined for direct or guaranteed loans. Additionally, individuals and all entity members must have operated a farm for less than 10 years. Applicants must materially or substantially participate in the operation.

For more information on FSA's farm loan programs and targeted underserved and beginning farmer guidelines, visit www.fsa.usda.gov/farmloans.

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).