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United States Department of Agriculture



Farm Service Agency Electronic News Service

NEWSLETTER

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Rhode Island FSA Newsletter

Rhode Island Farm Service Agency

60 Quaker Lane Warwick RI 02886

Rhode Island State Office Suite 62

Phone: 401-828-3120 Option 1.

www.fsa.usda.gov/ri

Acting State Executive Director: Matthew Richter

State Committee: Kevin Breene, David Frerich, Ellen Puccetti

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

Rhode Island County Office Suite 49

Message from Acting State Executive Director

Greetings to Rhode Island Producers,

The weather here is finally starting to warm up! Most of the snow is melted and it's getting closer to planting season. We know that most of you will soon be utilizing the longer days of sunshine to put in plenty of hours at the farm and are probably working hard to get machinery ready for the season.

An underutilized tool here in Rhode Island is the Conservation Reserve Program or CRP. Recently USDA made available funds to those enrolled in CRP who want to implement healthy forest management practices. Producers can sign up for the Forest Management Incentive (FMI), which provides incentives to landowners with land in CRP to encourage proper tree thinning and other practices. The incentive payment is the lower of: The actual cost of completing the practice; or 75% of the payment rate offered by USDA's Natural Resources Conservation Service (NRCS), if the practice is offered through NRCS conservation programs. Only landowners and agricultural producers with active CRP contracts involving forest cover can enroll. This does not include active CRP contracts that expire within two years. CRP signup began January 19, 2021. FSA will announce deadline later this year. Sign up your forest acres into a CRP contract and start utilizing these resources.

FPAC has created a new USDA COVID Workplace Safety Plan. This has reduced staff working from the office and visitors are not **Phone:** 401-828-3120 Option 2.

County Executive Director: Sheryl Michener

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

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

Farm Loan Team Suite 49

Phone: 401-828-3120 Option 3.

District Director: Matthew Richter

Farm Loan Analyst: Patricia Sullivan

Upcoming Program Deadlines for FSA:

March 15th, Deadline to insure Annual Crops including spring or fall-seeded small grains under NAP.

March 15th, Deadline to enroll in one of the ARC/PLC Programs. permitted but can conduct "virtual" visits with employees. Rest assured our FSA staff is continuing to work with agricultural producers and other customers via phone, email, and other digital tools.

We are here to serve and assist. If you have any questions or concerns, please feel free to reach out and ask. Our FSA staff will be ready and willing to assist.

Matthew J. Richter

RI Acting State Executive Director

March 15 is Deadline to Make Elections and Complete Enrollment in 2021 Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) Programs

Agricultural producers can now make elections and enroll in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2021 crop year.

Enrollment for the 2021 crop year closes March 15, 2021.

ARC provides income support payments on historical base acres when actual crop revenue declines below a specified guaranteed level. PLC provides income support payments on historical base acres when the effective price for a covered commodity falls below its reference price.

Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium and short grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

2021 Elections and Enrollment

Producers can elect coverage and enroll in crop-by-crop ARC-County or PLC, or ARC-Individual for the entire farm, for the 2021 crop year. Although election changes for 2021 are optional, enrollment (signed contract) is required for each year of the program. If a producer has a multi-year contract on the farm and makes an election change for 2021, it will be necessary to sign a new contract.

If an election is not submitted by the deadline of March 15, 2021, the election defaults to the current election for crops on the farm from the prior crop year.

For crop years 2022 and 2023, producers will have an opportunity to make new elections during those signups. Farm owners cannot enroll in either program unless they have a share interest in the farm.

Web-Based Decision Tools

In partnership with USDA, the University of Illinois and Texas A&M University offer web-based decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. Tools include:

- <u>Gardner-farmdoc Payment Calculator</u>, the University of Illinois tool that offers farmers the ability to run payment estimate modeling for their farms and counties for ARC-County and PLC.
- <u>ARC and PLC Decision Tool</u>, the Texas A&M tool allows producers to analyze payment yield updates and expected payments for 2021. Producers who have used the tool in the past should see their username and much of their farm data already available in the system.

Crop Insurance Considerations

Producers are reminded that enrolling in ARC or PLC programs can impact eligibility for some crop insurance products offered by USDA's Risk Management Agency (RMA). Producers who elect and enroll in PLC also have the option of purchasing Supplemental Coverage Option (SCO) through their Approved Insurance Provider, but producers of covered commodities who elect ARC are ineligible for SCO on their planted acres.

Unlike SCO, RMA's Enhanced Coverage Option (ECO) is unaffected by participating in ARC for the same crop, on the same acres. You may elect ECO regardless of your farm program election.

Upland cotton farmers who choose to enroll seed cotton base acres in ARC or PLC are ineligible for the stacked income protection plan, or STAX, on their planted cotton acres.

More Information

For more information on ARC and PLC, including two online decision tools that assist producers in making enrollment and election decisions specific to their operations, visit the <u>ARC and</u> <u>PLC webpage</u>.

For additional questions and assistance, contact your local USDA service center. To locate your local FSA office, visit <u>farmers.gov/service-locator</u>.

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

The Farm Service Agency encourages you 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.

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. You can determine if crops are eligible for federal crop insurance or NAP by <u>visiting the RMA 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. Buy-up levels of NAP coverage are available if the producer can show at least one year of previously successfully growing the crop for which coverage is being requested. 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, veterans and limited resource farmers are now eligible for free catastrophic level coverage.

Sign-up deadlines for FSA's NAP coverage for Rhode Island are as follows;

- March 15th Annual Crops including spring or fall-seeded small grains
- September 30th Value Loss Crops; Aquaculture, Oysters, Turf Grass, Christmas trees, Floriculture (except Chrysanthemums)Mushrooms, Ginseng
- November 20th Perennial Crops, Grass, Mixed Forage, Alfalfa, Perennial Forage
- December 31st Specialty Type Crops; Honey, Maple sap.

Contact the Rhode Island County FSA Office to enroll at 401-828-3120 Option 2.

Sign up Deadlines for Crop Insurance Under <u>Risk Management Agency</u> Programs are as follows;

- March 15th Corn, Sweet Corn and Potatoes
- November 20th, Apples, Cranberries, Grapes and Peaches

To enroll, contact Risk Management Agency at 919-875-4880.

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.

Let USDA Help You Prepare for Tax Season

If you participate in USDA programs, including our farm loan program, it's time to start preparing for tax season. USDA technical assistance is free, but it is important to not overlook USDA payments when calculating your taxes. USDA issues documentation for your taxes, including 1098 forms for USDA farm loans and 1099 forms for farmer payments. Whether you are filing your taxes on your own or working with a professional accountant or tax preparer, you have 24/7 access to your loan information through a new feature on Farmers.gov.

The "My Financial Information" portal makes it easier for customers to track loan transactions and payments and saves trips to the USDA service center to obtain loan-related information. It enables you to view:

- Loans and financial information.
- Interest payments (including year-to-date interest paid for the past five years).
- Loan history.
- Paid-in-full and restructured loans, and alerts. For example, an account alert will be displayed if a loan is past due.

To access your loan information, visit farmers.gov and sign into the site's authenticated portal, available on the menu at the top right of the site. To use the portal, you will need a Level 2 USDA eAuthentication account. If you do not have a Level 2 USDA eAuthentication account, you can sign up for one here.

Loan information retrieved from the "My Financial Information" portal should be compared to your records and reviewed with your tax preparer if you are working with one. Contact your <u>local USDA</u> <u>Service Center</u> if you have questions about the information on My Financial Information.

Currently, only producers doing business as an individual can view information. Entities, such as an LLC or Trust, or producers doing business on behalf of another customer cannot access the portal at this time, but access is being planned. Google Chrome, Mozilla Firefox and Microsoft Edge are the recommended browsers to access the feature.

As you are preparing your taxes, here is a checklist of things to do or consider:

- Gather all 1098, 1099 and other tax forms issued by USDA.
- If you have a Farm Loan, visit the self-service website at the top right corner of farmers.gov to view your loan information, history, and payments.
- Crop insurance proceeds must be included in your farm income.
- Farmers can deduct certain conservation-related expenses. According to the IRS, you may deduct up to 25 percent of your gross farm income for conservation expenses.

Keeping good expense records will help you and your tax preparer determine the tax deductions you may claim. Here are some helpful websites to help you compile the record

- <u>https://www.irs.gov/publications/p225</u> (Publication 225 (2019), Farmer's Tax Guide)
- <u>https://newfarmers.usda.gov/taxes</u> (New farmer resources from USDA)
- <u>https://ffsc.org</u> (Record keeping assistance)

The "My Financial Information" portal on Farmers.gov is just one of many features designed to help you manage your loans. The USDA team building farmers.gov prioritized this feature based on feedback from USDA field-level staff and customers. Being able to access loan information and payment history online will help you with this year's taxes, and future features will continue to expand your self-service opportunities.

USDA Offers Secure New Options for Signing and Sharing Documents Online

Farmers and ranchers working with USDA's Farm Service Agency or Natural Resources Conservation Service can now sign and share documents online in just a few clicks. By using Box or OneSpan, producers can digitally complete business transactions without leaving their homes or agricultural operations. Both services are free, secure, and available for multiple FSA and NRCS programs.

Box is a secure, cloud-based site where FSA or NRCS documents can be managed and shared. Producers who choose to use Box can create a username and password to access their secure Box account, where documents can be downloaded, printed, manually signed, scanned, uploaded, and shared digitally with Service Center staff. This service is available to any FSA or NRCS customer with access to a mobile device or computer with printer connectivity.

OneSpan is a secure eSignature solution for FSA and NRCS customers. Like Box, no software downloads or eAuthentication is required for OneSpan. Instead, producers interested in eSignature through OneSpan can confirm their identity through two-factor authentication using a verification code sent to their mobile device or a personalized question and answer. Once identity is confirmed, documents can be reviewed and e-signed through OneSpan via the producer's personal email address. Signed documents immediately become available to the appropriate Service Center staff.

Box and OneSpan are both optional services for customers interested in improved efficiency in signing and sharing documents with USDA, and they do not replace existing systems using eAuthentication for digital signature. Instead, these tools provide additional digital options for producers to use when conducting business with FSA or NRCS.

USDA Service Center staff are available to help producers get started with Box and OneSpan through a few simple steps. Please visit <u>farmers.gov/service-locator</u> to find your local office and let Service Center staff know you're interested in signing and sharing documents through these new features. In most cases, one quick phone call will be all that is needed to initiate the process.

Visit <u>farmers.gov/mydocs</u> to learn more about Box and OneSpan, steps for getting started, and additional resources for conducting business with USDA online.

To learn more about program flexibilities and Service Center status during the coronavirus pandemic, visit <u>farmers.gov/coronavirus</u>.

The Importance of Responding to NASS Surveys

USDA's National Agricultural Statistics Service (NASS) conducts hundreds of surveys every year and prepares reports covering virtually every aspect of U.S. agriculture.

If you receive a survey questionnaire, please respond quickly and online if possible.

The results of the surveys help determine the structure of USDA farm programs, such as soil rental rates for the Conservation Reserve Program and prices and yields used for the Agriculture Risk Coverage and Price Loss Coverage programs. This county-level data is critical for USDA farm payment determinations. Survey responses also help associations, businesses and policymakers advocate for their industry and help educate others on the importance of agriculture.

NASS safeguards the privacy of all respondents and publishes only aggregate data, ensuring that no individual operation or producer can be identified.

NASS data is available online at <u>nass.usda.gov/Publications</u> and through the searchable <u>Quick</u> <u>Stats database</u>. Watch a video on how NASS data is used at <u>youtube.com/watch?v=m-</u> <u>4zjnh26io&feature=youtu.be</u>.

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