### March 2021





## Farm Service Agency Electronic News Service

# **NEWSLETTER**

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- USDA Extends Application Deadline for the Quality Loss Adjustment Program
- USDA Offers New Forest Management Incentive for Conservation Reserve Program
- FSA is Accepting CRP Continuous Enrollment Offers
- Obtaining Payments due to Deceased Producers
- Cover Crop Guidelines
- Know your Final Planting Dates
- Farmers.gov Feature Helps Producers Find Farm Loans that Fit Their Operation
- Applying for Youth Loans
- Be on the Lookout: New Form Required for Some NRCS Customers

# **Topics for March**

# South Carolina Farm Service Agency

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# Acting State Executive Director:

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# **USDA Extends Application Deadline for the Quality Loss Adjustment Program**

The U.S. Department of Agriculture (USDA) is extending the deadline from March 5 to April 9 for agricultural producers to apply for the Quality Loss Adjustment (QLA) Program because of recent winter storms and some clarifications to program rules. This program assists producers who suffered crop quality losses due to qualifying 2018 and 2019 natural disasters.

The QLA program assists producers whose eligible crops suffered quality losses due to qualifying drought, excessive moisture, flooding, hurricanes, snowstorms, tornadoes, typhoons, volcanic activity, or wildfires.

Eligible crops include those for which federal crop insurance or Noninsured Crop Disaster Assistance Program (NAP) coverage is

#### **State Committee:**

Anthony Grant, Chairperson Robert Battle Bill Sarratt Landy Weathers Beth White available, except for grazed crops and value loss crops, such as honey, maple sap, aquaculture, floriculture, mushrooms, ginseng root, ornamental nursery, Christmas trees, and turfgrass sod. Additionally, crops that were sold or fed to livestock or that are in storage may be eligible.

### Administrative Officer:

Kenn Jameson

Assistance is available in counties that received a Presidential Emergency Disaster Declaration or Secretarial Disaster Designation, or for drought, a county rated by the U.S. Drought monitor as having a D3 (extreme drought) or higher. Producers in counties that did not receive a qualifying declaration or designation may still apply but must also provide supporting documentation.

# Farm Programs Chief: Evelyn Whitesides

Farm Loan Programs Chief: William Shelley

FSA will issue payments once the application period ends. If the total amount of calculated QLA payments exceeds available program funding, payments will be prorated.

Producers can contact their local FSA office for more information or to schedule an appointment.

#### **More Information**

FSA began accepting applications on January 6 and has received more than 8,100 applications so far.

To apply, contact your local <u>USDA Service Center</u>. Additional information is also available at <u>farmers.gov/quality-loss</u>. Producers can also obtain one-on-one support with applications by calling 877-508-8364.

While USDA offices are currently closed to visitors because of the pandemic, Service Center staff continue to work with agricultural producers via phone, email, and other digital tools. To conduct business, please contact your local <u>USDA Service Center</u>. Additionally, more information related to USDA's response and relief for producers can be found at farmers.gov/coronavirus.

# **USDA Offers New Forest Management Incentive for Conservation Reserve Program**

The U.S. Department of Agriculture (USDA) is making available \$12 million for use in making payments to forest landowners with land enrolled in the Conservation Reserve Program (CRP) in exchange for their implementing healthy forest management practices. Existing CRP participants can now sign up for the Forest Management Incentive (FMI), which provides financial incentives to landowners with land in CRP to encourage proper tree thinning and other practices.

Right now, less than 10% of land currently enrolled in CRP is dedicated to forestland. But, these nearly 2 million acres of CRP forestland, if properly managed, can have enormous benefits for natural resources by reducing soil erosion, protecting water quality, increasing water quantity, and diversifying local farm operations and rural economies.

Only landowners and agricultural producers with active CRP contracts involving forest cover can enroll. However, this does not include active CRP contracts that expire within two years. Existing CRP participants interested in tree thinning and prescribed burning must comply with the standards and specifications established in their CRP contract.

CRP participants will receive the incentive payment once tree thinning and/or other authorized forest management practices are completed.

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.

CRP signup is currently open. FSA will announce deadline later this year. Interested producers should contact their <u>local FSA county office</u>.

## **FSA** is Accepting CRP Continuous Enrollment Offers

The Farm Service Agency (FSA) is accepting offers for specific conservation practices under the Conservation Reserve Program (CRP) Continuous Signup.

In exchange for a yearly rental payment, farmers enrolled in the program agree to remove environmentally sensitive land from agricultural production and to plant species that will improve environmental health and quality. The program's long-term goal is to re-establish valuable land cover to improve water quality, prevent soil erosion, and reduce loss of wildlife habitat. Contracts for land enrolled in CRP are 10-15 years in length.

Under continuous CRP signup, environmentally sensitive land devoted to certain conservation practices can be enrolled in CRP at any time. Offers for continuous enrollment are not subject to competitive bidding during specific periods. Instead they are automatically accepted provided the land and producer meet certain eligibility requirements and the enrollment levels do not exceed the statutory cap.

For more information, including a list of acceptable practices, contact your <u>local FSA county office</u> or visit <u>fsa.usda.gov/crp</u>.

## **Obtaining Payments due to Deceased Producers**

In order to claim a Farm Service Agency (FSA) payment on behalf of a deceased producer, all program conditions for the payment must have been met before the applicable producer's date of death.

If a producer earned a FSA payment prior to his or her death, the following is the order of precedence for the representatives of the producer:

- administrator or executor of the estate
- the surviving spouse
- surviving sons and daughters, including adopted children

- surviving father and mother
- surviving brothers and sisters
- heirs of the deceased person who would be entitled to payment according to the State law

For FSA to release the payment, the legal representative of the deceased producer must file a form FSA-325 to claim the payment for themselves or an estate. The county office will verify that the application, contract, loan agreement, or other similar form requesting payment issuance, was signed by the applicable deadline by the deceased or a person legally authorized to act on their behalf at that time of application.

If the application, contract or loan agreement form was signed by someone other than the deceased participant, FSA will determine whether the person submitting the form has the legal authority to submit the form.

Payments will be issued to the respective representative's name using the deceased program participant's tax identification number. Payments made to representatives are subject to offset regulations for debts owed by the deceased.

FSA is not responsible for advising persons in obtaining legal advice on how to obtain program benefits that may be due to a participant who has died, disappeared or who has been declared incompetent.

## **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 <a href="https://nrcs.usda.gov/wps/portal/nrcs/main/national/landuse/crops/">nrcs.usda.gov/wps/portal/nrcs/main/national/landuse/crops/</a> 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 haved and grazed. Program eligibility for the cover crop that is being haved 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.

Crops reported with an intended use of cover only will not count toward the total cropland on the farm. In these situations, a subsequent crop will be reported to account for all cropland on the farm.

## **Know your Final Planting Dates**

All producers are encouraged to contact their local FSA office for more information on the final planting date for specific crops. The final planting dates vary by crop, planting period and county so please contact your local FSA office for a list of county-specific planting deadlines. The timely planting of a crop, by the final planting date, may prevent loss of program benefits.

# 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 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 is building farmers.gov for farmers, by farmers. In addition to the interactive farm loan features, the site also offers a Disaster Assistance Discovery Tool. Farmers can visit <a href="mailto:farmers.gov/recover/disaster-assistance-tool#step-1">farmers.gov/recover/disaster-assistance-tool#step-1</a> to find disaster assistance programs that can help their operation recover from natural disasters.

For more information, contact your contact your local FSA county office or visit farmers.gov.

## **Applying for Youth Loans**

The Farm Service Agency (FSA) makes loans to youth to establish and operate agricultural incomeproducing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5,000.

### Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien.
- Be 10 years to 20 years of age.
- Comply with FSA's general eligibility requirements.
- Be unable to get a loan from other sources.
- Conduct a modest income-producing project in a supervised program of work as outlined above.
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the youth loan applicant, along with providing adequate supervision.

For help preparing the application forms, contact your local FSA county office or visit fsa.usda.gov.

# Be on the Lookout: New Form Required for Some NRCS Customers

If you are a producer or landowner who participates in USDA's Natural Resources Conservation Service (NRCS) conservation programs, the Farm Service Agency (FSA) may be reaching out by mail with information about a form you'll need to fill out.

Starting this year, all producers and landowners participating or applying to participate in certain NRCS conservation programs must complete form CCC-902, Farm Operating Plan. Historically, to participate in these programs, legal entities could file either the CCC-901, Member Information or the CCC-902, while individuals were not specifically required to file the CCC-902 with FSA. Now, to ensure FSA and NRCS are properly determining payment eligibility and maximum payment limitations, all customers must have a CCC-902 on file to establish eligibility.

These changes will not affect participants who already have a Form CCC-902 with a "determined" status recorded with FSA. Customers that do not have a CCC-902 on file with FSA will be sent a letter in the mail in the coming weeks with detailed information on what is needed and how to file the form. The letter requests that the form be completed within 30 days of receiving the letter.

For added convenience, USDA is offering options for remote or in-person submission of the CCC-902. Fiscal year 2021 is considered a transition year to ensure all NRCS program participants can meet this updated filing requirement. Beginning in FY 2022, if form CCC-902 is not on file your payments may be impacted.

We can help: NRCS and FSA staff are available at <u>USDA Service Centers</u> nationwide to provide information and assistance to walk you through meeting this filing requirement. For more information, see the NRCS National Bulletin 300-21-7 or FSA Notice PL-293.

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).