### April 2020





## Farm Service Agency Electronic News Service

# NEWSLETTER

### GovDelivery

- FSA Makes Changes to Farm Loan, Disaster, Conservation and Safety Net Programs to Make it Easier for Customers to Conduct Business
- USDA's Conservation Reserve Program Grasslands Signup
- <u>CRP Continuous Enrollment Period</u>
- USDA Launches New Conservation Pilot Program for Prairie Pothole Producers to Plant
   Perennial Cover for Conservation Use
- Agriculture Risk Coverage and Price Loss Coverage Enrollment for 2020
- Maintaining the Quality of Farm-Stored Loan Grain
- Unauthorized Disposition of Grain
- <u>Transitioning Expiring CRP Land to Beginning, Veteran or Underserved Farmers and Ranchers</u>
- Livestock Losses
- Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program (ELAP)
- USDA Opened Signup for Added Causes of Loss Under WHIP+ and Announced Disaster Assistance for Sugar Beet Producers
- 2020 Acreage Reporting Dates
- FSA Adds Farm Loan Flexibilities
- <u>Communication is Key in Lending</u>
- Loan Servicing

## South Dakota FSA Newsletter

# South Dakota Farm Service Agency

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## FSA Makes Changes to Farm Loan, Disaster, Conservation and Safety Net Programs to Make it Easier for Customers to Conduct Business

USDA's Farm Service Agency (FSA) county offices are open in South Dakota by phone appointment only until further notice, and FSA staff are available to continue helping agricultural producers with program signups, loan servicing and other important actions. Additionally, FSA is relaxing the loan-making process and adding flexibilities for servicing direct and guaranteed loans to provide credit to producers in need.

FSA Service Centers are open for business by phone appointment only. While our program delivery staff will continue to come into to

Acting State Executive Director:	the office, they will be working with our agricultural producers by phone and using email and online tools whenever possible.
Jamie White	FSA is delivering programs and services, including:
State Committee: Mark Gross, Chairman Tiffani Robertson, Member Bill Simonson, Member Gwen Kitzan, Member Kelsey Ducheneaux, Member	<ul> <li>Farm loans;</li> <li>Commodity loans;</li> <li>Farm Storage Facility Loan program;</li> <li>Disaster assistance programs, including signup for the Wildfire and Hurricane Indemnity Program Plus (this includes producers now eligible because of losses due to drought and excess moisture in 2018 and 2019);</li> <li>Safety net programs, including 2020 signup for the Agriculture Risk Coverage and Price Loss Coverage programs;</li> <li>Conservation programs; and</li> <li>Acreage reports.</li> </ul> FSA is relaxing the loan making process and adding flexibilities for servicing direct and guaranteed loans to provide credit to producers in need. For a full list of flexibilities, visit farmers.gov/coronavirus.
Program Managers: Owen Fagerhaug <i>Conservation/Safety Net</i> Theresa Hoadley <i>Program Delivery/Price</i> <i>Support</i> LaDonna Hupp <i>Farm Loan Program</i>	<b>Contacting FSA</b> FSA will be accepting additional 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 <u>farmers.gov</u> portal where producers can view USDA farm loan information and payments and view and track certain USDA 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 <u>farmers.gov/sign-in</u> .
, ann Loan i Togrann	FSA encourages producers to contact their county office to discuss these programs and any current, and future, temporary changes to farm loan deadlines and the loan servicing options available. For Service Center contact information, visit <u>farmers.gov/coronavirus.</u>

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

### **USDA's Conservation Reserve Program Grasslands Signup**

Farmers and ranchers may apply to enroll grasslands in the Conservation Reserve Program (CRP) Grasslands signup. The signup runs through May 15.

Through CRP Grasslands, participants retain the right to conduct common grazing practices, such as haying, mowing or harvesting seed from the enrolled land. Timing of some activities may be restricted by the primary nesting season of birds.

Participants will receive an annual rental payment and may receive up to 50 percent cost-share for establishing approved conservation practices. The duration of the CRP contract is either 10 or 15 years. FSA will rank applications using a number of factors including existence of expiring CRP

land, threat of conversion or development, existing grassland, and predominance of native species cover, and cost.

The 2018 Farm Bill set aside 2 million acres for CRP Grassland enrollment. CRP is one of the largest conservation programs at USDA. CRP marks its 35-year anniversary in 2020 with 22 million acres currently enrolled.

For more information or to enroll in CRP Grasslands, contact your local FSA county office or visit <u>fsa.usda.gov/crp</u>. To locate your local FSA office, visit <u>farmers.gov/service-locator</u>.

### **CRP Continuous Enrollment Period**

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

CRP is a voluntary program that contracts with agricultural producers so that environmentally sensitive agricultural land is devoted to conservation benefits. CRP participants establish long-term, resource-conserving vegetative species, such as approved grasses or trees (known as "covers"), to control soil erosion, improve the water quality and enhance wildlife habitat. In return, FSA provides participants with annual rental payments and cost-share assistance. Continuous signup enrollment contracts are 10 to 15 years in duration.

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

Unlike CRP enrollments under general CRP signups or CRP Grasslands, offers for continuous enrollment are not subject to competitive bidding during specific periods.

For more information, including a list of acceptable practices, visit <u>fsa.usda.gov/crp</u>.

### USDA Launches New Conservation Pilot Program for Prairie Pothole Producers to Plant Perennial Cover for Conservation Use

The U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) announced a new pilot program that enables farmers in Prairie Pothole states to receive payments for planting perennial cover for conservation use on their land for three to five years. The new Conservation Reserve Program (CRP) Soil Health and Income Protection Program (SHIPP) pilot is available to producers in Iowa, Minnesota, Montana, North Dakota and South Dakota. The signup for this pilot started March 30, 2020 and ends August 21.

Through SHIPP, producers have the option of three-, four- or five-year CRP contracts to establish perennial cover for conservation use on less productive cropland in exchange for payments. This pilot enables producers to plant perennial cover that, among other benefits, will improve soil health and water quality while having the option to harvest, hay and graze during certain times of the year. Up to 50,000 acres can be enrolled.

Perennial cover, whether used in a single year rotation or over multiple years, can improve the productivity of soils and soil health on a farm for generations and increase the bottom line for the farmer. Soil health, or soil quality, by definition, is the capacity of soil to function as a vital living ecosystem that sustains plants, animals and humans.

The SHIPP pilot is the latest option in a full suite of opportunities available to producers through CRP and other conservation programs offered by USDA. Farmers and ranchers are encouraged to talk to their FSA county office soon about whether this pilot fits their operation or consider another longer-term option such as the CRP General signup that ends February 28 or CRP Continuous signup that is ongoing.

For more information, visit <u>www.fsa.usda.gov/crp</u> or contact your local office. To find your local USDA Service Center office, visit <u>https://www.farmers.gov/service-locator</u>.

### Agriculture Risk Coverage and Price Loss Coverage Enrollment for 2020

USDA's Farm Service Agency (FSA) encourages agricultural producers to enroll now in the Agriculture Risk Loss (ARC) and Price Loss Coverage (PLC) programs. The deadline to enroll for the 2020 crop year is June 30, 2020. By enrolling soon, producers can beat the rush as the deadline nears.

FSA offices have multiple programs competing for the time and attention of our staff. Because of the importance and complexities of the ARC and PLC programs; and to ensure FSA meets your program delivery expectations, please do not wait to start the enrollment process. Contact your FSA county office and make an appointment soon to ensure your elections are made and contracts signed well ahead of the deadline.

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.

The programs cover the following commodities: 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.

Farm owners have a one-time opportunity to update PLC payment yields that take effect beginning with crop year 2020. If the owner accompanies the producer to the office, the yield update and enrollments may be completed during the same office visit.

### **More Information**

For more information on ARC and PLC, download our <u>program fact sheet</u> or our <u>2014-2018 farm</u> <u>bills comparison fact sheet</u>. Online ARC and PLC election decision tools are available at <u>fsa.usda.gov/arc/plc</u>. To enroll, contact your <u>FSA county office</u> for an appointment.

### Maintaining the Quality of Farm-Stored Loan Grain

Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

## **Unauthorized Disposition of Grain**

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.

# Transitioning Expiring CRP Land to Beginning, Veteran or Underserved Farmers and Ranchers

CRP contract holders are encouraged to transition their Conservation Reserve Program (CRP) acres to beginning, veteran or socially disadvantaged farmers or ranchers through the Transition Incentives Program (TIP). TIP provides annual rental payments to the landowner or operator for up to two additional years after the CRP contract expires, provided the transition is not to a family member.

Enrollment in TIP is on a continuous basis through 2023 or until the new statutory limit of \$50 million under the 2018 Farm Bill is reached.

CRP contract holders no longer need to be a retired or retiring owner or operator to transition their land. TIP participants must agree to sell, have a contract to sell, or agree to lease long term (at least five years) land enrolled in an expiring CRP contract to a beginning, veteran, or socially disadvantaged farmer or rancher who is not a family member.

Beginning, veteran or social disadvantaged farmers and ranchers and CRP participants may enroll in TIP beginning two years before the expiration date of the CRP contract. For example, if a CRP contract is scheduled to expire on Sept. 30, 2022, the land may be offered for enrollment in TIP from October 1, 2020, through September 30, 2022. The TIP application must be submitted prior to completing the lease or sale of the affected lands.

New landowners or renters that return the land to production must use sustainable grazing or farming methods.

For more information on TIP, visit https://www.fsa.usda.gov/conservation.

### **Livestock Losses**

The Livestock Indemnity Program (LIP) provides assistance to eligible producers for livestock deaths in excess of normal mortality caused by adverse weather, disease and attacks by animals reintroduced into the wild by the federal government or protected by federal law.

LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to hurricanes, floods, blizzards, wildfires, extreme heat or extreme cold.

For disease losses, FSA county committees can accept veterinarian certifications that livestock deaths were directly related to adverse weather and unpreventable through good animal husbandry and management.

For 2020 livestock losses, eligible livestock owners must file a notice within 30 calendar days of when the loss is first apparent.

Participants must provide the following supporting documentation to their local FSA office no later than 60 calendar days after the end of the calendar year in which the eligible loss condition occurred.

- Proof of death documentation
- Copy of grower's contracts
- Proof of normal mortality documentation

USDA has established normal mortality rates for each type and weight range of eligible livestock, i.e. Adult Beef Cow = 1.5% and Non-Adult Beef Cattle (less than 250 pounds) = 5%. These established percentages reflect losses that are considered expected or typical under "normal" conditions.

In addition to filing a notice of loss, producers must also submit an application for payment by March 1, 2021.

Additional Information about LIP is available at your local FSA office or online at: www.fsa.usda.gov.

## Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program (ELAP)

The Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) provides emergency assistance to eligible livestock, honeybee, and farm-raised fish producers who have losses due to disease, adverse weather or other conditions, such as blizzards and wildfires, not covered by other agricultural disaster assistance programs.

Eligible livestock losses include grazing losses not covered under the Livestock Forage Disaster Program (LFP), loss of purchased feed and/or mechanically harvested feed due to an eligible adverse weather event, additional cost of transporting water because of an eligible drought and additional cost associated with gathering livestock to treat for cattle tick fever.

Eligible honeybee losses include loss of purchased feed due to an eligible adverse weather event, cost of additional feed purchased above normal quantities due to an eligible adverse weather condition, colony losses in excess of normal mortality due to an eligible weather event or loss condition, including CCD, and hive losses due to eligible adverse weather. For honeybee losses, producers must notify FSA within 15 calendar days of when a loss occurs or from when the loss is apparent.

Eligible farm-raised fish losses include death losses in excess of normal mortality and/or loss of purchased feed due to an eligible adverse weather event.

Producers who suffer eligible livestock, honeybee, or farm-raised fish losses during calendar year 2020, must file:

- A notice of loss within 30 calendar days after the loss is apparent (15 days for honeybee losses)
- An application for payment by Jan. 30, 2021

The following ELAP Fact Sheets (by topic) are available online:

- ELAP for Farm-Raised Fish Fact Sheet
- ELAP for Livestock Fact Sheet
- ELAP for Honeybees Fact Sheet

## USDA Opened Signup for Added Causes of Loss Under WHIP+ and Announced Disaster Assistance for Sugar Beet Producers

USDA announced additional disaster assistance available to agricultural producers, including producers impacted by drought and excess moisture as well as sugar beet growers. Through WHIP+, USDA is helping producers recover from losses related to 2018 and 2019 natural disasters.

USDA's Farm Service Agency (FSA) opened signup on March 23 for producers to apply for eligible losses of drought (D3 or above) and excess moisture. USDA is also entering into agreements with six sugar beet processing cooperatives to distribute \$285 million to grower members of those cooperatives who experienced loss.

In June 2019, more than \$3 billion was made available through a disaster relief package passed by Congress and signed by President Trump. In December 2019, Congress passed, and President Trump signed the Further Consolidated Appropriations Act of 2020 that provides an additional \$1.5 billion for the continuation of disaster assistance program delivery.

### WHIP+ New Qualifying Disaster Events

The bill added excessive moisture and D3 and D4 drought as qualifying losses for WHIP+ assistance.

Producers who suffered either of these types of loss in 2018 and/or 2019 can apply for WHIP+ assistance at their local FSA office. For drought, a producer is eligible if any area of the county in which the loss occurred was rated D3 (Extreme Drought) or higher on the U.S. Drought Monitor during calendar years 2018 or 2019.

### WHIP+ Sugar Beet Loss Assistance

As also directed in the bill, USDA will provide \$285 million through sugar beet processing cooperatives to compensate grower members for sugar beet crop losses in 2018 and 2019. Details will be finalized in agreements between USDA and participating sugar beet processing cooperatives. Sugar beet producers who are members of these cooperatives and experienced losses may contact their cooperative for more information about how this sugar beet crop assistance will be administered.

### WHIP+ for Quality Loss

In addition, producers have reported widespread crop quality loss from eligible disaster events that results in price deductions or penalties when marketing the damaged crops. The Appropriations bill expands WHIP+ to include assistance for crop quality loss. FSA is gathering data and input from producers and stakeholders regarding the extent and types of quality loss nationwide.

### Eligibility

To be eligible for WHIP+, producers must have suffered losses of certain crops, trees, bushes, or vines in counties with a Presidential Emergency Disaster Declaration or a Secretarial Disaster Designation (primary counties only) for the following named natural disaster events; hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms, wildfires, and now excessive moisture that occurred in 2018 or 2019. Also, losses located in a county not designated by the Secretary as a

primary county may be eligible if the producer provides documentation showing that the loss was due to a qualifying natural disaster event.

For drought, counties having a D3 or D4 Drought Monitor classification in any portion of the county anytime during calendar year 2018 or 2019 will also be eligible.

A list of counties that received qualifying hurricane declarations and designations is available at <u>farmers.gov/recover/whip-plus</u>. The U.S. Drought Monitor is available at <u>https://droughtmonitor.unl.edu/</u>.

Because livestock losses are covered by other disaster recovery programs offered through FSA, these losses are not eligible for WHIP+.

### **2020 Acreage Reporting Dates**

In order to comply with FSA program eligibility requirements, all producers are encouraged to contact their local FSA office to file an accurate crop certification report by the applicable deadline.

Acreage reporting dates vary by crop and by county so please contact your local FSA office for a list of county-specific deadlines.

The following exceptions apply to acreage reporting dates:

- If the crop has not been planted by the applicable acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is completed.
- If a producer acquires additional acreage after the applicable acreage reporting date, then the acreage must be reported no later than 30 calendars days after purchase or acquiring the lease. Appropriate documentation must be provided to the county office.
- If a perennial forage crop is reported with the intended use of "cover only," "green manure," "left standing," or "seed," then the acreage must be reported by July 15th.

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

For questions regarding crop certification and crop loss reports, please contact your local FSA office.

### FSA Adds Farm Loan Flexibilities

Farm loans are critical for annual operating and family living expenses, emergency needs and cash flow, especially in tough times. The Farm Service Agency (FSA) is providing additional flexibilities to provide producers with credit options. We encourage direct loan applicants and borrowers to contact their county office to discuss these programs and any current, and future, temporary changes to farm loan deadlines and the loan servicing options available. Customers participating in FSA's guaranteed loan programs are encouraged to contact their lender. For a full list of flexibilities, visit farmers.gov/coronavirus.

### **Communication is Key in Lending**

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be a success. A part of ensuring this success is providing guidance and counsel from the loan

application process through the borrower's graduation to commercial lending institutions. While it is FSA's commitment to advise borrowers as they identify goals and evaluate progress, it is crucial for borrowers to communicate with their farm loan staff when changes occur. It is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation;
- Any significant changes to family income or expenses;
- The development of problem situations;
- Any losses or proposed significant changes in security

In addition, if a farm loan borrower cannot make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options.

For more information on FSA farm loan programs, visit fsa.usda.gov.

### **Loan Servicing**

There are options for Farm Service Agency 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 the options available to you.

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).