

Virginia August Newsletter Articles and Updates - October 2021

Farm Service Agency | Natural Resources Conservation Service | Risk Management Agency

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## **FSA Acting State Director Message**

#### Urban Agriculture in Virginia

Virginia has seen an increase in urban agriculture recently, in part due to the increased need for food access during the coronavirus pandemic. USDA's Farm Service Agency (FSA) offers resources to support urban farmers – such as loans and grants – and can provide you with a farm number for your operation.

Urban food production within Virginia's cities includes farming in households, local community gardens, indoor and rooftop gardens, and vertical farming. These operations play an important role in advancing food and nutritional security, while also strengthening our state's provisions of fresh food supply.

If you have an urban garden or farm, or are interested in starting one, we're here to help. Contact the FSA office at your <u>local USDA Service Center</u> for more information on USDA resources that support urban agriculture in Virginia.

# NRCS State Conservationist's Message

Virginia's wide variety of agricultural operations reflect the diversity of its landscapes, ranging from aquaculture to forestry, row crops, livestock production and even community gardens. The producers who manage these operations are equally diverse with varying backgrounds and experience. When it comes to supporting Virginia's historically underserved (HU) agricultural farmers, I'm proud to say that NRCS is truly "walking the walk" in program delivery and outreach.

In Fiscal Year 2021, 48 percent of funds disbursed through our Environmental Quality Incentives Program (EQIP) went to these producers. In FY2022, we're planning to increase these funding pools by 5 to 10 percent to assist even more HU applicants. We also plan to create a dedicated Agricultural Conservation Easement Program fund pool to increase access to Agricultural Land Easements (ALEs) with 10 percent of our entire allocation set aside for this purpose.

On the outreach front, we've embarked on a new collaboration with the Veterans Benefits Administration to strengthen ties with military veterans who live in rural areas. We're also working with FSA on a plan to connect with more new and beginning farmers and are continuing to work with long-time partner Virginia State University on a parallel initiative focused on minority landowners. This effort, initiated through a cooperative agreement, has been extremely effective in expanding Farm Bill conservation program education and outreach.

Tribal outreach will be a big priority in FY2022 as well. We have assembled a diverse planning team to develop our first Virginia Tribal Summit to connect our federally recognized tribes with resources and services available through a host of federal and state agencies. This initiative is just one of many outlined in our new state outreach plan that will focus on building bridges to Hispanic, women and urban producers as well.

Urban farms will be key to increasing access to fresh, healthy produce in food deserts across the nation. Read our article below to learn more about Virginia Community Compost and Food Waste Reduction (CCFWR) grant projects that could make compost more easily accessible to community gardeners.

Dr. Edwin Martinez Martinez, Virginia State Conservationist

# Gear Up for the 2021 Hurricane Season: Prepare and Recover with USDA

Hurricane season is underway, and it lasts until November 30. The National Oceanic and Atmospheric Administration (NOAA) predicts that the 2021 hurricane season will be above normal in the Atlantic and produce 13 to 20 named storms with six to 10 hurricanes and three

to five major hurricanes. The eastern Pacific hurricane season will produce 12 to 18 named storms, with five to 10 hurricanes and two to five major hurricanes.

USDA is here to help you prepare for and recover from hurricane events.

Take precautions to prepare and protect your family and operation.

- **Develop an Emergency Plan** Ensure your household and employees know your hurricane plan, including meeting points, emergency contact lists, and alternate evacuation routes in case infrastructure is damaged.
- Remove Debris and Secure Large Objects Clean out culverts, ditches, and other drainage areas, especially before and during peak hurricane season to reduce water damage. Most injuries to animals, people, or structures during a hurricane are caused by flying objects. To lessen the risk, minimize the presence of equipment, supplies, and debris that may become airborne during high winds or encountered in floodwaters.
- Secure Important Records and Documents Pre- and post-hurricane documentation is extremely important for insurance compensation and recovery assistance. You'll want to have thorough records of damages and losses sustained on your farm as well as documentation of your cleanup and recovery efforts.

It is critical to document inventory of farm buildings, vehicles, equipment, and livestock before a disaster occurs. Take photos, videos, or make written lists with descriptions. Keep copies of this inventory in multiple places: computer, off-site in a safe location, and on a cloud-based server where information is transmitted and saved weekly.

• Know Your Insurance Options - Regularly review your insurance policies with your agent to be sure you have adequate coverage, including flood insurance, for your facilities, vehicles, farm buildings, crops and livestock. Note, there are limitations on how soon insurance coverage will take effect. Generally, insurance policies will not cover damage if the policy was not in place before a disaster.

For counties within or adjacent to the area of sustained hurricane-force winds, the Risk Management Agency's (RMA) Hurricane Insurance Protection – Wind Index (HIP-WI) covers a portion of your underlying crop insurance policy's deductible. HIP-WI covers 70 crops and is available in counties near the Gulf of Mexico, the Atlantic, and Hawaii.

- **Gather Supplies** Have drinking water, canned food, a generator, batteries, a flashlight, and fuel available in case you lose power. For widespread outages, credit and debit cards may not work, so have cash handy.
- Access Real-time Emergency Information Download the FEMA app for free on the App Store and Google Play for safety tips on what to do before, during, and after disasters.

Learn more about how USDA can help you recover.

# USDA Offers Disaster Assistance for Producers Facing Inclement Weather

Severe weather events create significant challenges and often result in catastrophic loss for agricultural producers. Despite every attempt to mitigate risk, your operation may suffer losses. USDA offers several programs to help with recovery.

### **Risk Management**

For producers who have risk protection through <u>Federal Crop Insurance</u> or the <u>Noninsured</u> <u>Crop Disaster Assistance Program</u> (NAP), we want to remind you to report crop damage to your crop insurance agent or the local Farm Service Agency (FSA) office.

If you have crop insurance, contact your agency within 72 hours of discovering damage and be sure to follow up in writing within 15 days. If you have NAP coverage, file a Notice of Loss (also called Form CCC-576) within 15 days of loss becoming apparent, except for hand-harvested crops, which should be reported within 72 hours.

#### **Disaster Assistance**

USDA also offers disaster assistance programs, which is especially important to livestock, fruit and vegetable, specialty and perennial crop producers who have fewer <u>risk management</u> <u>options</u>.

First, the <u>Livestock Indemnity Program</u> (LIP) and <u>Emergency Assistance for Livestock</u>. <u>Honeybee and Farm-raised Fish Program</u> (ELAP) reimburses producers for a portion of the value of livestock, poultry and other animals that died as a result of a qualifying natural disaster event or for loss of grazing acres, feed and forage. And, the <u>Livestock Forage</u> <u>Disaster Program</u> (LFP) provides assistance to producers of grazed forage crop acres that have suffered crop loss due to a qualifying drought. Livestock producers suffering the impacts of drought can also request <u>Emergency Haying and Grazing</u> on Conservation Reserve Program (CRP) acres.

Next, the <u>Tree Assistance Program</u> (TAP) provides cost share assistance to rehabilitate and replant tree, vines or shrubs loss experienced by orchards and nurseries. This complements NAP or crop insurance coverage, which cover the crop but not the plants or trees in all cases.

For LIP and ELAP, you will need to file a Notice of Loss for livestock and grazing or feed losses within 30 days and honeybee losses within 15 days. For TAP, you will need to file a program application within 90 days.

#### Documentation

It's critical to keep accurate records to document all losses following this devastating cold weather event. Livestock producers are advised to document beginning livestock numbers by taking time and date-stamped video or pictures prior to after the loss.

Other common documentation options include:

- Purchase records
- Production records

- Vaccination records
- Bank or other loan documents
- Third-party certification

#### **Other Programs**

The <u>Emergency Conservation Program</u> and <u>Emergency Forest Restoration Program</u> can assist landowners and forest stewards with financial and technical assistance to restore damaged farmland or forests.

Additionally, FSA offers a variety of loans available including emergency loans that are triggered by disaster declarations and operating loans that can assist producers with credit needs. You can use these loans to replace essential property, purchase inputs like livestock, equipment, feed and seed, or refinance farm-related debts, and other needs.

Meanwhile, USDA's Natural Resources Conservation Service (NRCS) provides financial resources through its <u>Environmental Quality Incentives Program</u> to help with immediate needs and long-term support to help recover from natural disasters and conserve water resources. Assistance may also be available for emergency animal mortality disposal from natural disasters and other causes.

#### **Additional Resources**

Additional details – including payment calculations – can be found on our <u>NAP</u>, <u>ELAP</u>, <u>LIP</u>, and <u>TAP</u> fact sheets. On farmers.gov, the <u>Disaster Assistance Discovery Tool</u>, <u>Disaster-at-a-Glance fact sheet</u>, and <u>Farm Loan Discovery Tool</u> can help you determine program or loan options.

While we never want to have to implement disaster programs, we are here to help. To file a Notice of Loss or to ask questions about available programs, contact your local USDA Service Center. All <u>USDA Service Centers</u> are open for business, including those that restrict inperson visits or require appointments because of the pandemic.

# USDA Service Centers Provide Free, One-on-One Help for Farmers

At USDA, we are committed to helping farmers complete loan applications, environmental reviews, and other paperwork free of charge. One-on-one support is available at more than 2,300 USDA Service Centers nationwide. USDA's Farm Service Agency and Natural Resources Conservation Service staff are usually co-located at these Service Centers and can help guide farmers to the best USDA assistance based on their unique goals, whether it is loans, conservation programs, or insurance.

Service Center staff can guide farmers through the process of preparing and submitting required paperwork on their own, with no need to hire a paid preparer. Language translation service is available in all USDA Service Centers, so one-on-one assistance with a Service Center employee can be translated in real time for farmers requiring it. And while some program and loan applications do have an administrative fee for filing, there is never a charge for preparation services provided by USDA staff.

Farmers who work with the USDA Service Center can:

- Establish their farm by registering for a farm number, which is required for USDA programs and assistance.
- Learn how to meet conservation compliance provisions.
- Verify eligibility for USDA programs.
- Discuss their business and conservation goals.
- Create a conservation plan.
- Fill out and file loan and program applications.

We are committed to delivering USDA programs and services to America's farmers and ranchers while taking safety measures in response to COVID-19. We encourage you to <u>check</u> the status of your local USDA Service Center and make an appointment to discuss your business needs.

## USDA Expands Farmers.gov to Include Farm Records

Producers with farmers.gov accounts can now access farm records and maps online, the latest self-service feature added to the U.S. Department of Agriculture (USDA) website.

You can quickly and easily access your land information in real time by desktop computer, tablet or phone. Capabilities include:

- View, print and export detailed farm records such as cropland, base acres, yields, CRP acres, land ownership details, and much more;
- View, print and export farm/tract maps that can be provided to lenders, chemical or fertilizer providers, and FSA for reporting acreage and crop insurance agents; and
- Export common land unit (field) boundaries as ESRI shapefiles.

The ability to access these records on demand without a visit to the service center saves you time and money.

<u>Farmers.gov</u> now includes the most popular functionalities from FSAFarm+, the FSA portal for producers, while providing enhanced functionality and an improved user experience. A new enhancement expands the scope of accessibility to include farmers and ranchers who are members of an entity, as well as people with a power of attorney form (FSA-211) on file with FSA.

### Managing USDA Business Online

Using farmers.gov, producers, entities and those acting on their behalf can also:

- View, upload, download, and e-sign conservation documents.
- Request financial assistance, including submitting a program application.

- View and submit conservation requests.
- View technical references and submit questions.
- Access information on current and past conservation practices, plans and contracts.
- Report practice completion and request practice certification.
- View farm loan and interest information (producers only).

Future plans include adding the ability to import and view other shapefiles, such as precision agriculture planting boundaries.

To access your information, you'll will need a <u>USDA eAuth account</u> to login to farmers.gov. After obtaining an eAuth account, producers should visit <u>farmers.gov</u> and sign into the site's authenticated portal via the <u>Sign In/Sign Up link</u> at the top right of the website. Google Chrome, Mozilla Firefox or Microsoft Edge are the recommended browsers to access the feature.

In addition to the self-service features available by logging into farmers.gov, the website also has ample information on USDA programs, including pandemic assistance, farm loans, disaster assistance, conservation programs and crop insurance. Recently, USDA updated the navigation and organization of the site as well as added some new webpages, including "<u>Get</u> <u>Involved</u>," "<u>Common Forms</u>," and "<u>Translations</u>." <u>Learn more about these changes</u>.

# **Applying for NAP Payments**

The Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to you for crops that aren't eligible for crop insurance to protect against lower yields or crops unable to be planted due to natural disasters including freeze, hail, excessive moisture, excessive wind or hurricanes, flood, excessive heat and qualifying drought (includes native grass for grazing), among others.

In order to participate, you must obtain NAP coverage for the crop year by the applicable deadline using form CCC-471 "Application for Coverage" and pay the service fee. Application closing dates vary by crop. Producers are also required to submit an acceptable crop acreage report. Additionally, NAP participants must provide:

- The quantity of all harvested production of the crop in which the producer held an interest during the crop year
- The disposition of the harvested crop, such as whether it is marketable, unmarketable, salvaged or used differently than intended
- Acceptable crop production records (when requested by FSA)

Producers who fail to report acreage and production information for NAP-covered crops could see reduced or zero NAP assistance. These reports are used to calculate the approved yield.

If your NAP-covered crops are affected by a natural disaster, notify your FSA office by completing Part B of form CCC-576 "Notice of Loss and Application for Payment." This must be completed within 15 calendar days of the occurrence of the disaster or when losses become apparent or 15 days of the final harvest date. For hand-harvested crops and certain perishable crops, you must notify FSA within 72 hours of when a loss becomes apparent.

To receive benefits, you must also complete Parts D, E, F and G of the CCC-576 "Notice of Loss and Application for Payment" within 60 days of the last day of coverage for the crop year for any NAP covered crops. The CCC-576 requires acceptable appraisal information. Producers must provide evidence of production and note whether the crop was marketable, unmarketable, salvaged or used differently than intended.

Eligible crops must be commercially produced agricultural commodities for which crop insurance is not available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

For more information on NAP, visit <u>fsa.usda.gov/nap</u>.

# Filing CCC-941 Adjusted Gross Income Certifications

If you have experienced delays in receiving Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments, Loan Deficiency Payments (LDPs) and Market Gains on Marketing Assistance Loans (MALs), it may be because you have not filed form CCC-941, *Adjusted Gross Income Certification*.

If you don't have a valid CCC-941 on file for the applicable crop year you will not receive payments. All farm operator/tenants/owners who have not filed a CCC-941 and have pending payments should IMMEDIATELY file the form with their recording county FSA office. Farm operators and tenants are encouraged to ensure that their landowners have filed the form.

FSA can accept the CCC-941 for 2018, 2019, 2020, 2021, and 2022. Unlike the past, you must have the CCC-941 certifying your AGI compliance before any payments can be issued.

## Actively Engaged Provisions for Non-Family Joint Operations or Entities

Many Farm Service Agency (FSA) programs require all program participants, either individuals or legal entities, to be "actively engaged in farming." This means participants provide a significant contribution to the farming operation, whether it is capital, land, equipment, active personal labor and/or management. For entities, each partner, stockholder or member with an ownership interest, must contribute active personal labor and/or management to the operation on a regular basis that is identifiable and documentable as well as separate and distinct from contributions of any other member. Members of joint operations must have a share of the profits or losses from the farming operation commensurate with the member's contributions to the operation and must make contributions to the farming operation that are at risk for a loss, with the level of risk being commensurate with the member's claimed share on the farming operation.

Joint operations comprised of non-family members or partners, stockholders or persons with an ownership in the farming operation must meet additional payment eligibility provisions. Joint operations comprised of family members are exempt from these additional requirements. For 2016 and subsequent crop years, non-family joint operations can have one member that may use a significant contribution of active personal management exclusively to meet the requirements to be determined "actively engaged in farming." The person or member will be defined as the farm manager for the purposes of administering these management provisions.

Non-family joint operations may request to add up to two additional managers for their farming operation based on the size and/or complexity of the operation. If additional farm managers are requested and approved, all members who contribute management are required to complete form CCC-902MR, *Management Activity Record*. The farm manager should use the form to record management activities including capital, labor and agronomics, which includes crop selection, planting decisions, acquisition of inputs, crop management and marketing decisions. One form should be used for each month and the farm manager should enter the number of hours of time spent for each activity under the date of the month the actions were completed. The farm manager must also document if each management activity was completed on the farm or remotely.

The records and supporting business documentation must be maintained and timely made available for review by the appropriate FSA reviewing authority, if requested.

If the farm manager fails to meet these requirements, their contribution of active personal management to the farming operation for payment eligibility purposes will be disregarded and their payment eligibility status will be re-determined for the applicable program year.

In some instances, additional persons or members of a non-family member joint operation who meet the definition of farm manager may also be allowed to use such a contribution of active personal management to meet the eligibility requirements. However, under no circumstances may the number of farm managers in a non-family joint operation exceed a total of three in any given crop and program year.

# Maintaining ARC/PLC Acreage

If you're enrolled in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs, you must protect all cropland and noncropland acres on the farm from wind and water erosion and noxious weeds. By signing ARC county or individual contracts and PLC contracts, you agree to effectively control noxious weeds on the farm according to sound agricultural practices. If you fail to take necessary actions to correct a maintenance problem on your farm that is enrolled in ARC or PLC, the County Committee may elect to terminate your contract for the program year.

# NRCS Supports Composting for Healthier Communities

Composting is one of the most simple and beneficial practices available to home gardeners and agricultural producers. This medium, largely consisting of decayed organic matter, is used to add nutrients and condition the soil. It can also help improve overall structure so the plant or crop roots can penetrate more deeply to access groundwater.

Compost can be especially beneficial to urban farmers who are cultivating agricultural products in unique settings like vacant lots, alleys and rooftop gardens. These sites may have

had large amounts of contamination deposited well before a garden was even considered, one reason why some urban producers must plant in raised beds to ensure their crops are safe for consumption.

NRCS leads the Office of Urban Agriculture that works in partnership with numerous sister agencies to support this growing movement. Over the past two years, USDA has awarded nearly 40 grants for projects to support implementation of municipal compost and food waste reduction plans nationwide. Virginia has made the list both times.

In 2020, Prince William County Schools received funding for a pilot project to divert and collect food waste from kitchens, cafeterias, classrooms and events at six schools for off-site compost processing. The City of Richmond was just selected to receive funding in the second round of cooperative agreements that support the growing urban agriculture movement.

Visit <u>farmers.gov/urban</u> to learn more about the work NRCS and other USDA agencies are doing to support expanded access to nutritious food and educate communities about farming. Contact your local NRCS office to learn more about incorporating composting into your operation.

# 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 <u>farmers.gov/coronavirus</u>.

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 <u>farmers.gov</u> 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 <u>farmers.gov/sign-in</u>.

## Loans for Targeted Underserved Producers

The Farm Service Agency (FSA) has several loan programs to help you start or continue an agriculture production. Farm ownership and operating loans are available.

While all qualified producers are eligible to apply for these loan programs, FSA has provided priority funding for members of targeted underserved applicants.

A targeted underserved applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, targeted underserved groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

## **Selected Interest Rates for October 2021**

90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	1.75%
Farm Ownership Loans — Direct	2.875%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	2.75%
Farm Storage Facility Loans - (7 years)	1.125%
Commodity Loans 1996-Present	1.125%

## **Dates to Remember**

10/18 2022 ARC/PLC Enrollment Begins

- 11/15 Acreage Reporting Date for 2022 Apiculture
- 11/20 Sales Closing for 2022 NAP for fruit/nut woody tree/bush/vine crops, and strawberries
- 11/30 Acreage Reporting Date for 2022 Clams

