

U.S. DEPARTMENT OF AGRICULTURE

Virginia August Newsletter Articles and Updates - September 2021

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

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FSA Acting State Director Message

Fall Harvest Draws Nears for Virginia Farmers

Fall is a wonderful season when those who have planted by faith and nurtured with hard work begin to reap the rewards of their efforts.

Statewide, I am hearing very optimistic reports; by all accounts, it appears that we have great potential regarding the 2021 crop. We are hopeful for favorable weather throughout harvest. I want to remind anyone who has interest in CFAP, WHIP, NAP, or Farm Loans to contact their local FSA office immediately.

Important Deadlines:

- Newly eligible producers who need to submit a CFAP 2 application or producers
 who need to modify an existing one can do so by contacting their local FSA office.
 Producers can find their local FSA office by visiting gov/service-locator. Producers
 can also obtain one-on-one support with applications by calling 877-508-8364. All
 new and modified CFAP 2 applications are due by the Oct. 12, 2021 deadline.
- Organic producers and handlers can apply for USDA funds to assist with the cost
 of receiving and maintaining organic certification through the <u>Organic Certification</u>
 <u>Cost Share Program</u> (OCCSP). Applications for eligible certification expenses paid
 between Oct. 1, 2020, and Sept. 30, 2021, are due Nov. 1, 2021.
- Intermediary lenders can now apply for loans through the new Heirs' Property Relending Program (HPRP). The U.S. Department of Agriculture (USDA) is accepting applications today through October 29, 2021, and cooperatives, credit unions and nonprofit organizations are encouraged to apply for these competitive loans, which ultimately will help agricultural producers and landowners resolve heirs' land ownership and succession issues

R. Kevin Bohon, Acting State Executive Director, has stated that Virginia is preparing for these signups and will make changes in the future as necessary.

NRCS State Conservationist's Message

If you've ever wondered what's new in Chesapeake Bay conservation, you're not alone. It's one of the most frequently asked questions in my exchanges with producers and partners. Though we've got a long way to go in restoring the Bay to a more pristine state, NRCS and its conservation partners are making steady progress in moving the needle in the right direction.

In Fiscal Year 2020, Virginia invested \$41.1 million in accelerating voluntary, on-farm conservation on 206,701 acres enrolled in Farm Bill programs. We've also placed a high priority on protecting drinking water sources through 106 designated Source Water Protection Areas (SWPAs) encompassing about seven percent of Virginia's total land area. Signups are now underway for Fiscal Year 2022 Environmental Quality Incentives Program (EQIP) funding with higher payment rates available for participants in SWPAs who adopt core water quality practices.

The Smith Creek Showcase Watershed project in Rockingham and Shenandoah counties is moving into its 12th successful year with NRCS continuing to work hand-in-hand with landowners and a host of partners to put more conservation on the ground. By FY 2020, we had invested \$1.3 million in 23 National Water Quality Incentive (NWQI) program contracts to assist Shenandoah Valley producers in installing practices to control and trap

agricultural pollutants that could eventually find their way to the Bay. This watershed project is a great example of partnership among local, state and federal agencies.

We are also collaborating with the Virginia Department of Conservation and Recreation to ensure that the agricultural sector receives full credit for implementing best management practices designed to reduce runoff into our state's rivers, creeks and streams. I have reached out to the tri-state Chesapeake Bay Commission to learn about their conservation efforts and to explore other potential partnership opportunities as well.

Virginia NRCS now has 101 conservationists and support staff on the job in 23 service centers to serve landowners in the Chesapeake Bay watershed. That number should rise as we hire new team members and promote our Pathways interns into full-time positions. Read our article below to learn how you can help elevate their expertise in production agriculture through the Conservation Agricultural Mentoring Program (CAMP).

Dr. Edwin Martinez Martinez, State Conservationist

NASS to send 2021 Hemp Acreage and Production survey this fall

This October, USDA's National Agricultural Statistics Service will mail its first **Hemp Acreage and Production**

Survey. The survey will collect information on the total planted and harvested area, yield, production, and value of hemp in the United States.

The Domestic Hemp Production Program established in the Agriculture Improvement Act of 2018 (2018 Farm Bill) allows for the cultivation of hemp under certain conditions. The Hemp Acreage and Production survey will provide needed data about the hemp industry to assist producers, regulatory agencies, state governments, processors, and other key industry entities.

Producers may complete the survey online at <u>agcounts.usda.gov</u> or they may complete and return the survey by mail using the return envelope provided.

Learn more about the survey at nass.usda.gov/go/hemp.

Streamlining How You Find Information on Farmers.gov

If you've been to farmers.gov before, things may look a little different from the last time you were here. We've made some changes, to improve how you find information so that you can find what you need even more easily and efficiently.

The big, green navigation bar near the top of every page – it's different now. It opens up, to show descriptions and subtopics, making it quicker and easier to figure out what's where and reduce guessing. Why? Two reasons: First, farmers.gov has grown a lot over

the years and the old navigation wasn't designed for the load. Second, because you asked for it. We analyzed your comments through the "Feedback" button on the site and tested our new designs and information organization with real farmers and ranchers through surveys and live testing sessions.

Along with the new website navigation, we restructured how our pages and topics are grouped and organized to help you easily access the information you need. We also relabeled some of our existing pages using more direct language. This means that pages or information you've used before may have different labels or be in new places.

Important changes:

- The old Fund page is now called Loans. The Loans page has information and resources about USDA loans, including the Farm Loan Programs.
- The Recover page is now Protection and Recovery. This page has information to help you prepare and recover from natural disasters, and to mitigate risk for your operation.
- The Conserve page is now Conservation. This page hasn't changed much and still
 has information on how to implement conservation practices, improve and
 preserve natural resources, and address conservation concerns.
- The Manage page is now Working With Us. This page connects you with resources that tell you how USDA can help you start, expand, enhance, or improve your agricultural operation.
- The Connect page has been replaced with Your Business, a guide to USDA
 resources that cater to your specific operation. Information that was on
 the Connect page has been moved to the Contact Us page and the Get
 Involved page.

We are always updating farmers.gov based on your feedback and to stay up-to-date with important USDA announcements. We've recently created some new webpages, and updated some existing ones, to better equip you with the vital information you need. There are even more new pages coming soon, so stay tuned!

For farmers.gov, we don't guess what farmers and ranchers want from a website. We start by asking, then test our designs with volunteers who are also farmers and ranchers.

There's a feedback button on every page of farmers.gov. Based on your feedback, we looked for ways to make our site easier to use and to build the information that you're looking for. Live user testing sessions provide data, such as this heatmap, showing where testers tended to click during an exercise.

You helped us create the new navigation design, the new information organization, and told us how to speak using your words, and not legalese.

Check out <u>farmers.gov</u> today!

USDA Updates Pandemic Assistance for Livestock, Poultry Contract Producers and Specialty Crop Growers

USDA Sets October 12 Deadline for CFAP 2

The U.S. Department of Agriculture (USDA) is updating the Coronavirus Food Assistance Program 2 (CFAP 2) for contract producers of eligible livestock and poultry and producers of specialty crops and other sales-based commodities. CFAP 2, which assists producers who faced market disruptions in 2020 due to COVID-19, is part of USDA's broader Pandemic Assistance for Producers initiative. Additionally, USDA's Farm Service Agency (FSA) has set an Oct. 12 deadline for all eligible producers to apply for or modify applications for CFAP 2.

Assistance for Contract Producers

The Consolidated Appropriations Act, 2021, provides up to \$1 billion for payments to contract producers of eligible livestock and poultry for revenue losses from Jan. 1, 2020, through Dec. 27, 2020. Contract producers of broilers, pullets, layers, chicken eggs, turkeys, hogs and pigs, ducks, geese, pheasants and quail may be eligible for assistance. This update includes eligible breeding stock and eggs of all eligible poultry types produced under contract.

Payments for contract producers were to be based on a comparison of eligible revenue for the periods of Jan. 1, 2019, through Dec. 27, 2019, and Jan. 1, 2020, through Dec. 27, 2020. Today's changes mean contract producers can now elect to use eligible revenue from the period of Jan. 1, 2018, through Dec. 27, 2018, instead of that date range in 2019 if it is more representative. This change is intended to provide flexibility and make the program more equitable for contract producers who had reduced revenue in 2019 compared to a normal production year. The difference in revenue is then multiplied by 80% to determine a final payment. Payments to contract producers may be factored if total calculated payments exceed the available funding and will be made after the application period closes.

Additional flexibilities have been added to account for increases to operation size in 2020 and situations where a contract producer did not have a full period of revenue from Jan. 1 to Dec. 27 for either 2018 or 2019. Assistance is also available to new contract producers who began their farming operation in 2020.

Updates for Sales-Based Commodities

USDA is amending the CFAP 2 payment calculation for sales-based commodities, which are primarily comprised of by specialty crops, to allow producers to substitute 2018 sales for 2019 sales. Previously, payments for producers of sales-based commodities were based only on 2019 sales, with 2019 used as an approximation of the amount the producer would have expected to market in 2020. Giving producers the option to substitute 2018 sales for this approximation, including 2018 crop insurance indemnities and 2018 crop year Noninsured Disaster Assistance Program (NAP) and Wildfire and

Hurricane Indemnity Program Plus (WHIP+) payments, provides additional flexibility to producers of sales-based commodities who had reduced sales in 2019.

Grass seed has also been added as an eligible sales commodity for CFAP 2. A complete list of all eligible sales-based commodities can be found at farmers.gov/cfap2/commodities. Producers of sales-based commodities can modify existing applications.

Applying for Assistance

Newly eligible producers who need to submit a CFAP 2 application or producers who need to modify an existing one can do so by contacting their local FSA office. Producers can find their local FSA office by visiting farmers.gov/service-locator. Producers can also obtain one-on-one support with applications by calling 877-508-8364. All new and modified CFAP 2 applications are due by the Oct. 12 deadline.

Linkage Requirements for Payments Received Under WHIP+ and/or QLA

If you received a payment under the Wildfires and Hurricanes Indemnity Program+ (WHIP+) or the Quality Loss Adjustment Program (QLA) for crop production and/or quality losses occurring in 2018, 2019, or 2020 crop years, you are required to meet linkage requirements by obtaining federal crop insurance or Non-Insured Crop Disaster Assistance Program (NAP) coverage at the 60/100 level, or higher, for both the 2022 and 2023 crop years.

When applying for WHIP+ or QLA, form FSA-895 (Crop Insurance and/or NAP Coverage Agreement) was submitted acknowledging the requirement to obtain federal crop insurance, if available, or NAP coverage if federal crop insurance is not available. The coverage requirement is applicable to the physical location county of the crop that received WHIP+ and/or QLA benefits.

Producers should not delay contacting their federal crop insurance agent or local county FSA Office to inquire about coverage options, as **failure to obtain the applicable coverage by the sales/application closing date will result in the required refund of WHIP+ benefits received on the applicable crop, plus interest.** You can determine if crops are eligible for federal crop insurance or NAP by <u>visiting the RMA website</u>.

For more information, visit fsa.usda.gov.

USDA Accepting Applications to Help Cover Costs for Organic Certification

USDA's Farm Service Agency (FSA) announced that organic producers and handlers can apply for USDA funds to assist with the cost of receiving and maintaining organic certification through the <u>Organic Certification Cost Share Program</u> (OCCSP). Applications

for eligible certification expenses paid between Oct. 1, 2020, and Sept. 30, 2021, are due Nov. 1, 2021.

OCCSP provides cost-share assistance to producers and handlers of agricultural products for the costs of obtaining or maintaining organic certification under the USDA's National Organic Program. Eligible producers include any certified producers or handlers who have paid organic certification fees to a USDA-accredited certifying agent. Producers can be reimbursed for expenses including application fees, inspection costs, fees related to equivalency agreement and arrangement requirements, travel expenses for inspectors, user fees, sales assessments and postage.

For 2021, OCCSP will reimburse 50 percent of a certified operation's allowable certification costs, up to a maximum of \$500 for each of the following categories or "scopes:"

- crops
- wild crops
- livestock
- processing/handling
- State organic program fees.

Organic farmers and ranchers may apply through an FSA county office or a participating state agency.

More Information

To learn more about organic certification cost share, please visit the <u>OCCSP</u> <u>webpage</u>, visit <u>usda.gov/organic</u>, or contact your <u>local USDA Service Center</u>.

Keeping Livestock Inventory Records

Livestock inventory records are necessary in the event of a natural disaster, so remember to keep them updated.

When disasters strike, the USDA Farm Service Agency (FSA) can help you if you've suffered excessive livestock death losses and grazing or feed losses due to eligible natural disasters.

To participate in livestock disaster assistance programs, you'll be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to your local FSA office within 30 calendar days of when the loss of livestock is apparent. For grazing or feed losses, you must submit a notice of loss to your local FSA office within 30 calendar days of when the loss is apparent and should maintain documentation and receipts.

You should record all pertinent information regarding livestock inventory records including:

Documentation of the number, kind, type, and weight range of livestock

Beginning inventory supported by birth recordings or purchase receipts.

For more information on documentation requirements, visit <u>fsa.usda.gov</u>.

Virginia Producers Urged to Consider NAP Risk Protection Coverage Before Crop Sales Deadlines

The USDA Farm Service Agency (FSA) encourages you to review available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the crop deadline of September 30.

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.

The following crops in Virginia have a NAP application deadline of September 30: value loss crops, including but not limited to aquaculture, Christmas trees, flowers and turfgrass sod, and small grains not covered by federal crop insurance.

You can determine if crops are eligible for federal crop insurance or NAP by <u>visiting the</u> RMA website.

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. 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.

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</u> Locator. You can use the <u>USDA Cost Estimator</u> to predict insurance premium costs.

For more information on NAP, service fees, sales deadlines, visit <u>fsa.usda.gov</u>.

Qualified veteran farmers or ranchers are eligible for a service fee waiver and premium reduction, if the NAP applicant meets certain eligibility criteria.

USDA Offers Hurricane Impacted Virginia Farmers and Ranchers Immediate Disaster Assistance

Virginia Farm Service Agency (FSA) offers disaster assistance and low-interest loan programs to assist you in your recovery efforts following recent impacts of Hurricane Ida. Available programs and loans include:

- Non-Insured Crop Disaster Assistance Program (NAP) provides financial
 assistance to producers of non-insurable crops when low yields, loss of inventory,
 or prevented planting occur due to natural disasters including excessive wind and
 qualifying drought (includes native grass for grazing).
- **Livestock Indemnity Program (LIP)** offers payments to eligible producers for livestock death losses in excess of normal mortality due to adverse weather.
- Tree Assistance Program (TAP) provides assistance to eligible orchardists and nursery tree growers for qualifying tree, shrub and vine losses due to natural disaster
- Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) - provides emergency relief for losses due to feed or water shortages, disease, adverse weather, or other conditions, which are not adequately addressed by other disaster programs.
- **Emergency Loan Program** available to producers with agriculture operations located in a county under a primary or contiguous Secretarial Disaster designation. These low interest loans help producers recover from production and physical losses due to flooding.
- Emergency Conservation Program (ECP) provides emergency funding for farmers and ranchers to rehabilitate land severely damaged by natural disasters; includes fence loss.

To establish or retain FSA program eligibility, you must report prevented planting and failed acres (crops and grasses). Prevented planting acreage must be reported on form *FSA-576, Notice of Loss*, no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA).

For more information on these programs, visit <u>fsa.usda.gov/disaster</u>.

Go CAMPing with NRCS

Virginia NRCS is growing with additional staff joining the team in field offices across the state. Like many new employees, they need specialized training to provide the quality services our clients and partners have come to expect from us.

Virginia farmers now have a great opportunity to be a part of that process through the Conservation Agricultural Mentoring Program or CAMP. This field-based initiative matches experienced producers with NRCS employees who are new to the job or the area to forge

critical relationships while expanding their knowledge of production agriculture and natural resources in their communities.

Producer mentors don't need to be large-scale producers or even located in rural areas. Each can provide valuable insights and perspectives on Virginia agriculture as well as a safe, low-risk learning environment for employees to advance their knowledge of:

- Common agricultural practices, equipment, inputs and other topics.
- Typical daily challenges and decisions faced by producers.
- Local resource problems and concerns.
- How producers use conservation practices to address resource concerns.

Once matched with participating producers, new employees will go out on the land with their mentors six to 12 times per year for a period of 12-18 months. The time commitment is minimal with mentee meetings scheduled at mentors' convenience.

If you're passionate about conservation and coaching the next generation of conservation professionals, please contact your local district conservationist or reach out to David Kriz at david.kriz@usda.gov to learn more about this opportunity. Check out our Fact Sheet and Frequently Asked Questions to learn more.

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 farmers.gov/coronavirus.

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>.

Progression Lending from FSA

Farm Service Agency (FSA) farm loans are considered progression lending. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Our goal is to help you graduate to commercial credit, and our farm loan staff is available to help borrowers through training and credit counseling.

The FSA team will help borrowers identify their goals to ensure financial success. FSA staff will advise borrowers on developing strategies and a plan to meet your goals and graduate to commercial credit. FSA borrowers are responsible for the success of their farming operation, but FSA staff will help in an advisory role, providing the tools necessary to help you achieve your operational goals and manage your finances.

For more information on FSA farm loan programs, contact your County USDA Service Center or visit <u>fsa.usda.gov</u>.

Selected Interest Rates for September 2021

90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	1.875%
Farm Ownership Loans — Direct	3.00%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	2.875%
Farm Storage Facility Loans - (7 years)	1.00%
Commodity Loans 1996-Present	1.125%
Farm Ownership Loans — Direct Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher Emergency Loans Farm Storage Facility Loans - (7 years)	3.00% 1.50% 2.875% 1.00%

Dates to Remember

9/15 Acreage Reporting Deadline for Beans planted 7/15-9/5

9/30 Application for Coverage Deadline for 2022 value loss crops and small grains

9/30 Acreage Reporting Deadline for 2022 Value Loss crops for NAP

11/22 Application for Coverage Deadline for 2022 fruit/nut tree, bush and vines, and strawberries

12/1 Application for Coverage Deadline for 2022 honey and maple sap



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