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Message from the SED

Greetings

USDA is providing \$67 million in competitive loans through the new Heirs' Property Relending Program (HPRP), which aims to help agricultural producers and landowners resolve heirs' land ownership and succession issues. Intermediary lenders -cooperatives, credit unions, and nonprofit organizations – can apply for loans up to \$5 million at 1% interest once FSA opens the two-month signup window in late August. After FSA selects lenders, heirs can apply directly to those lenders for loans and assistance.

USDA is currently, also providing, up to \$200 million to provide relief to timber harvesting and timber hauling businesses that have experienced losses due to COVID-19 as part of the Pandemic Assistance for Producers initiative. Loggers and truckers can apply for assistance through FSA July 22 through Oct. 15, 2021. The Pandemic Assistance for Timber Harvesters and Haulers program (PATHH) is administered by FSA in partnership with the U.S. Forest Service.

FSA is in COC Election season. Producers should contact their local FSA office today to find out how to get involved in their county's election. They should check with their local USDA Service Center to see if their LAA is up for election this year. Forms and other information about FSA county committee elections are available at

<u>www.fsa.usda.qov/elections</u>. Election ballots will be mailed to eligible voters beginning Nov. 1, 2021.

To find your local USDA Service Center, visit <u>www.farmers.gov/service-locator</u>.

Take Care and Stay Safe!

Upcoming Events and Workshops

The USDA Arkansas Farm Service Agency (FSA) is committed to educating producers on available programs and loans. FSA representatives will be available at the following workshops and conferences. Producers interested in attending these conferences/workshops should follow the registration or RSVP instructions listed below.

Aug 23rd – Beginning Farmers Class

The University of Arkansas at Pine Bluff (UAPB) is hosting a Virtual Beginning Farmers Class. Rod Woods, Jefferson County Executive Director and Vanessa Moore, Farm Loan Manager; will present on Obtaining a Farm Number, Disaster Programs, Farm Stored Facility Loans, Direct Loans, Microloans, FSA Updates, and Information Resources. This Virtual Conference will be held Monday, August 23, 2021 beginning at 9:00am. For Additional Information, please contact the University of Arkansas at Pine Bluff, Small Farm Program, at 870.575.7225.

Aug 31st - Sep. 1st – 2021 SFLR Regional Virtual Conference The University of Arkansas at Pine Bluff is partnering with Prairie View A&M University, Arkansas Department of Agriculture – Forestry Division, and USDA (FSA & NRCS) to host this conference. The conference will begin Wednesday, August 31, 2021 at 9:00am and conclude Thursday, September 1, 2021. Lorri Sloate, CED in Arkansas County, will be presenting on Obtaining a Farm Number, FSA Updates, and Information Resources. Please mark your calendar. Contact UAPB Small Farm Program (870.575.7225) for additional information.

USDA Supports Military Veteran's Transition to Farming

Are you a military veteran interested in farming? USDA offers resources to help you:

- **Fund Your Operation:** USDA's Farm Service Agency offers a variety of <u>funding</u> <u>opportunities</u> to help agricultural producers finance their businesses. Certain funds are targeted for veterans and beginning farmers and ranchers.
- **Conserve Natural Resources:** USDA's Natural Resources Conservation Service offers <u>conservation programs and expert one-on-one technical assistance</u> to strengthen agricultural operations now and into the future. Veterans may be eligible for a cost share of up to 90 percent and advance payments of up to 50 percent to cover certain conservation practices.
- Manage Risks: USDA is here to help you prepare for and recover from the unexpected. Veterans who are beginning farmers may be eligible for reduced premiums, application fee waivers, increased insurance coverage, and other incentives for multiple <u>USDA programs that support risk management</u>.

USDA wants to ensure that veterans transitioning to agriculture have the resources needed to succeed. 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 USDA Service Center. Additionally, more information related to USDA's response and relief for producers can be found at farmers.gov/coronavirus. If you're a new farmer, you can also reach out to your <u>state Beginning Farmer and Rancher Coordinator</u>.

USDA Announces Pandemic Assistance for Timber Harvesters and Haulers

The U.S. Department of Agriculture (USDA) is providing up to \$200 million to provide relief to timber harvesting and timber hauling businesses that have experienced losses due to COVID-19 as part of USDA's Pandemic Assistance for Producers initiative. Loggers and truckers can apply for assistance through USDA's Farm Service Agency (FSA) July 22 through Oct. 15, 2021. The Pandemic Assistance for Timber Harvesters and Haulers program (PATHH) is administered by FSA in partnership with the U.S. Forest Service.

The Consolidated Appropriations Act, 2021, authorized this critical assistance for the timber industry. Timber harvesting and hauling businesses that have experienced a gross revenue loss of at least 10% during the period of Jan. 1 and Dec. 1, 2020, compared to the period of Jan. 1 and Dec. 1, 2019, are encouraged to apply.

Program Details

To be eligible for payments, individuals or legal entities must be a timber harvesting or timber hauling business where 50% or more of its gross revenue is derived from one or more of the following:

- Cutting timber.
- Transporting timber.
- Processing of wood on-site on the forest land (chipping, grinding, converting to biochar, cutting to smaller lengths, etc.).

Payments will be based on the applicant's gross revenue received from Jan. 1, 2019, through Dec. 1, 2019, minus gross revenue received from Jan. 1, 2020, through Dec. 1, 2020, multiplied by 80%. FSA will issue an initial payment equal to the lesser of the calculated payment amount or \$2,000 as applications are approved. A second payment will be made after the signup period has ended based upon remaining PATHH funds.

The maximum amount that a person or legal entity may receive directly is \$125,000.

Applying for Assistance

Loggers and truckers can apply for PATHH beginning on July 22 by completing form FSA-1118, Pandemic Assistance for Timber Harvesters and Haulers Program application, and certifying to their gross revenue for 2019 and 2020 on the application. Additional documentation may be required. Visit <u>farmers.gov/pathh</u> for more information on how to apply.

Applications can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery, or via electronic means. To find a local FSA office, loggers and truckers can visit <u>farmers.gov/service-locator</u>. They can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

USDA to Provide Pandemic Assistance to Livestock Producers for Animal Losses

Livestock and poultry producers who suffered losses during the pandemic due to insufficient access to processing can apply for assistance for those losses and the cost of depopulation and disposal of the animals. The U.S. Department of Agriculture (USDA) Secretary Vilsack announced the Pandemic Livestock Indemnity Program (PLIP) in [recorded] remarks at the National Pork Industry Conference in Wisconsin Dells, WI. The announcement is part of USDA's Pandemic Assistance for Producers initiative. Livestock and poultry producers can apply for assistance through USDA's Farm Service Agency (FSA) July 20 through Sept. 17, 2021.

The Consolidated Appropriations Act, 2021, authorized payments to producers for losses of livestock or poultry depopulated from March 1, 2020 through December 26, 2020, due to insufficient processing access as a result of the pandemic. PLIP payments will be based on 80% of the fair market value of the livestock and poultry and for the cost of depopulation and disposal of the animal. Eligible livestock and poultry include swine, chickens and turkeys.

PLIP Program Details

Eligible livestock must have been depopulated from March 1, 2020, through December 26, 2020, due to insufficient processing access as a result of the pandemic. Livestock must have been physically located in the U.S. or a territory of the U.S. at the time of depopulation.

Eligible livestock owners include persons or legal entities who, as of the day the eligible livestock was depopulated, had legal ownership of the livestock. Packers, live poultry dealers and contract growers are not eligible for PLIP.

PLIP payments compensate participants for 80% of both the loss of the eligible livestock or poultry and for the cost of depopulation and disposal based on a single payment rate per head. PLIP payments will be calculated by multiplying the number of head of eligible livestock or poultry by the payment rate per head, and then subtracting the amount of any payments the eligible livestock or poultry owner has received for disposal of the livestock or poultry under the Natural Resources Conservation Service (NRCS) Environmental Quality Incentives Program (EQIP) or a state program. The payments will also be reduced by any Coronavirus Food Assistance Program (CFAP 1 and 2) payments paid on the same inventory of swine that were depopulated.

There is no per person or legal entity payment limitation on PLIP payments. To be eligible for payments, a person or legal entity must have an average adjusted gross income (AGI) of less than \$900,000 for tax years 2016, 2017 and 2018.

Applying for Assistance

Eligible livestock and poultry producers can apply for PLIP starting July 20, 2021, by completing the FSA-620, Pandemic Livestock Indemnity Program application, and submitting it to any FSA county office. Additional documentation may be required. Visit <u>farmers.gov/plip</u> for a copy of the Notice of Funding Availability and more information on how to apply.

Applications can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery or via electronic means. To find your local FSA office, visit <u>farmers.gov/service-locator</u>. Livestock and poultry producers can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

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, contact your local County USDA Service Center or visit <u>fsa.usda.gov/nap</u>.

Reminders for FSA Direct and Guaranteed Borrowers with Real Estate Security

Farm loan borrowers who have pledged real estate as security for their Farm Service Agency (FSA) direct or guaranteed loans are responsible for maintaining loan collateral. Borrowers must obtain prior consent or approval from FSA or the guaranteed lender for any transaction that affects real estate security. These transactions include, but are not limited to:

- Leases of any kind
- Easements of any kind
- Subordinations
- Partial releases
- Sales

Failure to meet or follow the requirements in the loan agreement, promissory note, and other security instruments could lead to nonmonetary default which could jeopardize your current and future loans.

It is critical that borrowers keep an open line of communication with their FSA loan staff or guaranteed lender when it comes to changes in their operation. For more information on borrower responsibilities, read <u>Your FSA Farm Loan Compass</u>.

Preauthorized Debit Available for Farm Loan Borrowers

USDA's Farm Service Agency (FSA) has implemented pre-authorized debit (PAD) for Farm Loan Program (FLP) borrowers. PAD is a voluntary and alternative method for making weekly, bi-weekly, monthly, quarterly, semi-annual or annual payments on loans.

PAD payments are pre-authorized transactions that allow the National Financial and Accounting Operations Center (NFAOC) to electronically collect loan payments from a customer's account at a financial institution.

PAD may be useful if you use nonfarm income from regular wages or salary to make payments on loans or adjustment offers or for payments from seasonal produce stands. PAD can only be established for future payments.

To request PAD, customers, along with their financial institution, must fill out form RD 3550-28. This form has no expiration date, but a separate form RD 3550-28 must be completed for each loan to which payments are to be applied. A fillable form can be accessed on the USDA Rural Development (RD) website at rd.usda.gov/publications/regulations-guidelines. Click forms and search for "Form 3550-28."

If you have a "filter" on the account at your financial institution, you will need to provide the financial institution with the following information: Origination ID: 1220040804, Agency Name: USDA RD DCFO.

PAD is offered by FSA at no cost. Check with your financial institution to discuss any potential cost. Preauthorized debit has no expiration date, but you can cancel at any time by submitting a written request to your local FSA office. If a preauthorized debit agreement receives three payment rejections within a three-month period, the preauthorized debit agreement will be cancelled by FSA. The payment amount and due date of your loan is not affected by a cancellation of preauthorized debit. You are responsible to ensure your full payment is made by the due date.

For more information about PAD, please contact your local FSA office or visit <u>fsa.usda.gov</u>. To locate your local FSA office visit <u>farmers.gov/service-center-locator</u>.

Applying for Youth Loans

The Farm Service Agency (FSA) makes loans to youth to establish and operate agricultural income-producing 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, visit <u>fsa.usda.gov</u>.

Sign in/Sign up for an Online Account

Farmers, ranchers and agricultural producers have online options to access USDA programs. Through USDA's new streamlined process, producers doing business **as an individual** can now register, track and manage their applications for the Market Facilitation Program (MFP) on the secure and convenient <u>farmers.gov</u>. Producers doing business as an individual first need to sign up for the Level 2 eAuthentication access. Currently USDA eAuthentication does not have the mechanism to issue accounts to businesses, corporations, other entities or for anyone acting on behalf of another individual or entity.

- Step 1: Create and online account at <u>eauth.usda.gov</u>
- Step 2: Complete identity verification by either using the online self-service identity verification method or by completing the identity verification in-person at your USDA Service Center.
- Step 3: You're enrolled
- Step 4: Contact your local USDA Service Center to have your new Level 2 account linked with your USDA customer record
- Step 5: You're ready to Log In

Or go to your local USDA Service Center and our supportive staff will help you sign up for Level 2 Access right in the office! They will get you online so you can create an online account at <u>farmers.gov/sign-in</u>. You'll complete identity verification right on the spot. You're enrolled! Users with a secure Level 2 eAuthentication ID linked to their USDA customer record can apply for select USDA programs, view and print farm maps and farm records data. Enrolling is easy! Visit <u>farmers.gov/sign-in</u> to learn more. To locate a service center near you or use online services not requiring eAuthentication access, visit <u>farmers.gov</u>. For technical assistance, call the eAuthentication help desk at 1-800-457-3642.

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.

USDA to Measure Small Grain Production

During the first two weeks of September, a sample of small grains growers around the country will receive Agricultural Survey questionnaires from the U.S. Department of Agriculture's National Agricultural Statistics Service (NASS). The agency is taking a comprehensive look into the 2021 production and supply of small grains, including wheat, oats, barley, and rye.

NASS will contact Arkansas farmers and ranchers to gather information on their 2021 small grain production as well as the quantities of corn, soybeans, all wheat and oats stored on the farm. Producers are encouraged to respond conveniently online at agcounts.usda.gov. The online questionnaire is fast and secure. They may also return their completed surveys by mail. Farmers who have not responded by August 29 may receive a phone call from a NASS representative who will help them fill out the

survey or schedule a time to do so.

NASS will analyze the survey information and publish the state and national results in the annual Small Grains Summary and quarterly Grain Stocks report on September 30. These survey data also contribute to the USDA's World Agricultural Outlook Board's monthly World Agricultural Supply and Demand Estimates (WASDE).

All NASS reports are available at nass.usda.gov/Publications. For more information, call the NASS Delta Regional Field Office at (800) 327-2970.

Rates and Dates

Selected Interest Rates for August 2021	
90-Day Treasury Bill	0.125
Farm Operating Loans — Direct	1.750
Farm Ownership Loans — Direct	3.250
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.500
Emergency Loans	2.750
Farm Storage Facility Loans (5 years)	0.875
Farm Storage Facility Loans (10 years)	1.375
Commodity Loans 1996-Present	1.125

Arkansas FSA State Office

700 West Capitol, Room 3416 Little Rock, Arkansas 72201 Phone: 501-301-3000 Fax: 855-652-2082

Please contact your local FSA Office for questions specific to your operation or county. To find contact information for your local office go to <u>www.fsa.usda.gov/ar</u>.

State Committee Meeting 2nd Wednesday and Thursday of each Quarter

> Acting State Director Danny Hoots

Administrative Officer Sharon Baker

> Farm Loan Chief Lori Lavender

Farm Program Chief Terri McManus

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).