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Farm Service Agency Electronic News Service

NEWSLETTER

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FSA News - Lone Star State Edition

Farm Service Agency Texas State Office

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To find contact information for your local office go

to: http://www.fsa.usda.gov/tx

From the State Executive Director

Your local Farm Service Agency staff is hard at work with many deadlines approaching. As our offices continue to take phone and virtual appointments, we encourage you to prepare and complete as much business as you can during your appointment. A handful of FSA offices are open for scheduled, in-person appointments. Regardless of your office's operating status, please call first to make an appointment.

If you have not enrolled in the Agriculture Risk Coverage and Price Loss Coverage programs for the 2020 crop year, please call your county office now to make an appointment before the **June 30** deadline.

During your appointment, you can also complete you crop acreage reports if you haven't already. Deadlines vary by crop and by county.

Signup for the Coronavirus Food Assistance Program (CFAP) closes **Aug. 28**, **2020**. Producers can visit <u>farmers.gov/cfap</u> to use the CFAP payment calculator to populate the application form or to download the application form to complete manually. Additionally, FSA is now accepting CFAP applications through an online portal. Through the portal, producers with secure USDA login credentials—known as eAuthentication—can certify eligible commodities online, digitally sign applications and submit directly to your county office. A CFAP Call Center is available for producers who would like additional one-on-one support with the application process. Please call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

Eligible producers can also enroll in the Wildfire and Hurricanes Indemnity Program Plus (WHIP+), which helps producers recover from losses related to 2018 and 2019 natural disasters. Producers

can apply for eligible losses of drought (D3 or above) and excess moisture. Assistance is also available to sugar beet producers.

You can find contact information for your local FSA office at farmers.gov/service-center-locator.

Gary L. Six State Executive Director Farm Service Agency – Texas

USDA Adds Digital Options for Farmers and Ranchers to Apply for Coronavirus Food Assistance Program

USDA's Farm Service Agency will now accept applications for the Coronavirus Food Assistance Program (CFAP) through an online portal, expanding the options available to producers to apply for this program, which helps offset price declines and additional marketing costs because of the coronavirus pandemic. FSA is also leveraging commercial document storage and e-signature solutions to enable producers to work with local service center staff to complete their applications from home.

Through the portal, producers with secure USDA login credentials—known as eAuthentication—can certify eligible commodities online, digitally sign applications and submit directly to the local USDA Service Center. Producers who do not have an eAuthentication account can learn more and begin the enrollment process at farmers.gov/sign-in. Currently, the digital application is only available to sole proprietors or single-member business entities.

USDA Service Centers can also work with producers to complete and securely transmit digitally signed applications through two commercially available tools: Box and OneSpan. Producers who are interested in digitally signing their applications should notify their local service centers when calling to discuss the CFAP application process. You can learn more about these solutions at farmers.gov/mydocs.

USDA has several other options for producers to complete and submit their CFAP applications. These include:

- Downloading the AD-3114 application form from <u>farmers.gov/cfap</u> and manually completing
 the form to submit to the local USDA Service Center by mail, electronically or by hand
 delivery to an office drop box. In some limited cases, the office may be open for in-person
 business by appointment. Visit <u>farmers.gov/coronavirus/service-center-status</u> to check the
 status of your local office.
- Completing the application form using our <u>CFAP Application Generator and Payment Calculator</u> found at <u>farmers.gov/cfap</u>. This Excel workbook allows customers to input information specific to their operation to determine estimated payments and populate the application form, which can be printed, and then signed and submitted to their local USDA Service Center.

Getting Help from FSA

New customers seeking one-on-one support with the CFAP application process can call 877-508-8364 to speak directly with a USDA employee ready to offer general assistance. This is a recommended first step before a producer engages the team at the FSA county office at their local USDA Service Center.

All other eligibility forms, such as those related to adjusted gross income and payment information, can be downloaded from farmers.gov/cfap. For existing FSA customers, these documents are likely already on file.

Producers self-certify their records when applying for CFAP, and that documentation is not submitted with the application. However, producers may be asked for their documentation to support the certification of eligible commodities, so they should retain the information used to complete their application.

More Information

To find the latest information on CFAP, visit farmers.gov/cfap or call 877-508-8364.

June 30 Last Day to Complete Enrollment for 2020 Agriculture Risk Coverage, Price Loss Coverage Programs

Agricultural producers who have not yet enrolled in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs for 2020 must do so by June 30. Although program elections for the 2020 crop year remain the same as elections made for 2019, all producers need to contact their local USDA Farm Service Agency (FSA) office to sign a 2020 enrollment contract.

To date, more than 1.4 million ARC and PLC contracts have been signed for the 2020 crop year. This represents 89 percent of expected enrollment. FSA will send reminder postcards to producers who, according to agency records, have not yet submitted signed contracts for ARC or PLC for the 2020 crop year.

Producers who do not complete enrollment by close of business local time on Tuesday, June 30 will not be enrolled in ARC or PLC for the 2020 crop year and will be ineligible to receive a payment should one trigger for an eligible crop.

ARC and PLC contracts can be mailed or emailed to producers for signature depending on producer preference. Signed contracts can be mailed or emailed back to FSA or, arrangements can be made in advance with FSA to drop off signed contracts at the FSA county office – call ahead for local drop off and other options available for submitting signed contracts electronically.

Producers are eligible to enroll on farms with base acres for 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.

More Information

For more information on ARC and PLC including web-based decision tools, visit <u>farmers.gov/arc-plc.</u>

USDA Service Centers, including FSA county offices, are open for business by phone only, and field work will continue with appropriate social distancing. While program delivery staff will continue to come into the office, they will be working with producers by phone and using online tools whenever possible. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service or any other Service Center agency are required to call their Service Center to schedule a phone appointment. More information can be found at farmers.gov/coronavirus.

USDA Dairy Safety-Net Program Signup to Begin October 12 for the 2021 Coverage Period

The U.S. Department of Agriculture's Farm Service Agency (FSA) announces that Dairy Margin Coverage (DMC) safety-net signup for 2021 coverage will begin October 12 and will run through December 11, 2020. DMC has already triggered payments for two months for producers who signed up for 2020 coverage.

The April 2020 income over feed cost margin was \$6.03 per hundredweight (cwt.), triggering the second payment of 2020 for dairy producers who purchased the appropriate level of coverage under the <u>Dairy Margin Coverage</u> (DMC) program. The April margin reflects a more than a \$3 drop from the March \$9.15 cwt. income over feed cost margin.

As of June 15, FSA has issued more than \$100 million in much-needed program benefits to dairy producers who purchased DMC coverage for 2020.

Authorized by the 2018 Farm Bill, DMC is a voluntary risk management program that offers protection to dairy producers when the difference between the all-milk price and the average feed price (the margin) falls below a certain dollar amount selected by the producer. Over 13,000 operations enrolled in the program for the 2020 calendar year.

All USDA Service Centers are open for business, including some that are open to visitors to conduct business in person by appointment only. All Service Center visitors wishing to conduct business with the Farm Service Agency, Natural Resources Conservation Service, or any other Service Center agency should call ahead and schedule an appointment. Service Centers that are open for appointments will pre-screen visitors based on health concerns or recent travel and visitors must adhere to social distancing guidelines. Visitors may also be required to wear a face covering during their appointment. Field work will continue with appropriate social distancing. Our program delivery staff will be in the office, and they will be working with our producers in office, by phone, and using online tools. More information can be found at farmers.gov/coronavirus.

For more information, visit the <u>DMC webpage</u> or contact your local USDA service center. To locate your local FSA office, visit <u>farmers.gov/service-center-locator</u>.

ARC/PLC Acreage Maintenance

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

Producers are Encouraged to Report Prevented Planting and Failed Acres

USDA Farm Service Agency (FSA) reminds producers to report prevented planting and failed acres in order to establish or retain FSA program eligibility for some programs.

Producers should report crop acreage they intended to plant, but due to natural disaster, were prevented from planting. Prevented planting acreage must be reported on form *CCC-576*, *Notice of Loss*, no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA).

Contact your local FSA office for a list of final planting dates by crop.

If a producer is unable to report the prevented planting acreage within the 15 calendar days following the final planting date, a late-filed report can be submitted. Late-filed reports will only be accepted if FSA conducts a farm visit to assess the eligible disaster condition that prevented the crop from being planted. A measurement service fee will be charged.

Additionally, producers with failed acres should also use form *CCC-576*, *Notice of Loss*, to report failed acres.

Producers of hand-harvested crops and certain perishables must notify FSA of damage or loss through the administrative County Office within 72 hours of the date of damage or loss first becomes apparent. This notification can be provided by filing a CCC-576, email, fax or phone. Producers who notify the County Office by any method other than by filing the CCC-576 are still required to file a CCC-576, *Notice of Loss*, within the required 15 calendar days.

For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP), producers must file a *Notice of Loss* within 15 days of the occurrence of the disaster or when losses become apparent. Producers must timely file a *Notice of Loss* for failed acres on all crops including grasses.

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 fsa.usda.gov/crp.

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.

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.

Preauthorized Debit Available for Farm Loan Borrowers

USDA 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 for borrowers who 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 debt 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, contact your local FSA office. To find a local FSA office, visit offices.usda.gov

Farm Reconstitutions

When changes in farm ownership or operation take place, a farm *reconstitution* is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

To be effective for the current Fiscal Year (FY), farm combinations and farm divisions must be requested by **August 1 of the FY** for farms subject to the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. A reconstitution is considered to be requested when all:

- of the required signatures are on FSA-155
- other applicable documentation, such as proof of ownership, is submitted.

Total Conservation Reserve Program (CRP) and non-ARC/PLC farms may be reconstituted at any time.

The following are the different methods used when doing a farm recon:

Estate Method — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

DCP Cropland Method — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

Default Method — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

Emergency Disaster Declarations and Designations

Farmers and ranchers know all too well that natural disasters can be a common, and likely a costly, variable to their operation. The Farm Service Agency (FSA) has emergency assistance programs to provide assistance when disasters strike, and for some of those programs, a disaster designation may be the eligibility trigger.

FSA administers four types of disaster designations:

USDA Secretarial Disaster Designation

- The designation process can be initiated by individual farmers, local government officials,
 State governors, State agriculture commissions, tribal councils or the FSA State Executive Director
- This designation is triggered by a 30-percent or greater production loss to at least one crop because of a natural disaster, or at least 1 producer who sustained individual losses because of a natural disaster and is unable to obtain commercial financing to cover those losses
- In 2012, USDA developed a fast-track process for disaster declarations for severe drought.
 This provides for a nearly automatic designation when, during the growing season, any
 portion of a county meets the D2 (Severe Drought) drought intensity value for eight
 consecutive weeks or a higher drought intensity value for any length of time as reported by
 the U.S. Drought Monitor (http://droughtmonitor.unl.edu)

Administrator's Physical Loss Notification

- This designation is initiated by the FSA State Executive Director.
- The designation is triggered by physical damage and losses because of a natural disaster, including but not limited to dead livestock, collapsed buildings, and destroyed farm structures.

Presidential Designation

- A Presidential major disaster designation and emergency declaration is initiated by the Governor of the impacted state through the Federal Emergency Management Agency (FEMA).
- This designation is triggered by damage and losses caused by a disaster of such severity and magnitude that effective response is beyond the capability of the State and local governments.

Quarantine Designation

- This designation is requested of the Secretary of Agriculture by the FSA State Executive Director.
- A quarantine designation is triggered by damage and losses caused by the effects of a plant or animal quarantine approved by the Secretary under the Plant Protection Act or animal quarantine laws.

All four types of designations immediately trigger the availability of low-interest Emergency loans to eligible producers in all primary and contiguous counties. FSA borrowers in these counties who are unable to make their scheduled payments on any debt may be authorized to have certain set asides. Additional disaster assistance requiring a designation may also be provided by new programs in the future.

For more information on FSA disaster programs and disaster designations, visit www.fsa.usda.gov/disaster.

NRCS Reminders

Texas NRCS Seeks Ag Producers to Serve as Mentors

Are you a farmer, rancher or forester interested in mentoring a new NRCS employee?

The Conservation Agricultural Mentoring Program (CAMP) matches an experienced producer with an NRCS field employee. Our goal is to grow critical relationships with the producers we serve, while at the same time advancing employee knowledge of production agriculture.

<u>Texas NRCS Announces Additional 2020 Sign-up Period for Partnership Led Conservation</u> Program

The USDA Natural Resources Conservation Service (NRCS) in Texas is accepting applications for the Environmental Quality Incentives Program (EQIP), Regional Conservation Partnership Program, project with the Oaks and Prairies Joint Venture – <u>Grassland Restoration Incentives Program partnership.</u>

This project is available for production acreage in 30 Texas counties: Archer, Austin, Baylor, Callahan, Clay, Colorado, Delta, Dewitt, Edwards, Ellis, Fayette, Fannin, Gonzales, Hunt, Karnes, Kinney, Lamar, Lavaca, Montague, Navarro, Real, Red River, Shackelford, Stephens, Throckmorton, Uvalde, Val Verde, Washington, Wilson and Wise.

USDA Expands Farmers.gov Feature to Help Manage Conservation Activities

New self-service features on <u>farmers.gov</u> will help farmers and ranchers manage their conservation activities online. You'll now be able to view, download, and e-sign documents, request conservation assistance, view technical references and submit questions, access information on current and past conservation practices, and view detailed information on all previous and ongoing contracts, including the amount of planned and received cost-share assistance. These conservation features join several others already available through the authenticated farmers.gov portal.

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).