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Farm Service Agency **Electronic News Service**

NEWSLETTER

GovDelivery

FSA News - Lone Star State Edition

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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

With a few important deadlines behind us, there's still several upcoming deadlines that require your attention. 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.

Time is running out to file nominations for County Committee Elections. If your local administrative area is up for election this year, you have until **Aug. 1, 2020**, to submit a nomination form. County committees are an important part of the FSA structure; they make important decisions on how federal programs are administered locally.

Signup for the Coronavirus Food Assistance Program (CFAP) closes **Aug. 28, 2020**. Producers can visit farmers.gov/cfap to use the CFAP payment calculator to populate the application form or to download the application form to complete manually. 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.

As a reminder, due to the pandemic, producers who have not filed a timely acreage report can file within 30 days of the acreage reporting date without paying the late file fee.

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.

As a reminder, our FSA offices are open for business by phone appointment only. 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

May Margin Triggers Dairy Margin Coverage Program Payment

The U.S. Department of Agriculture's Farm Service Agency (FSA) today announced that the May 2020 income over feed cost margin was \$5.37 per hundredweight (cwt.), triggering the third payment of 2020 for dairy producers who purchased the appropriate level of coverage under the [Dairy Margin Coverage](#) (DMC) program.

To date, FSA has issued more than \$176 million in 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.

Although DMC enrollment for 2020 coverage has closed, signup for 2021 coverage will begin October 13 and will run through December 11, 2020.

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 FSA, 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 farmers.gov [DMC webpage](#) or contact your local USDA Service Center. To locate your local FSA office, visit farmers.gov/service-center-locator.

Additional Commodities Eligible for Coronavirus Food Assistance Program

U.S. Secretary of Agriculture Sonny Perdue announced an initial list of additional commodities that have been added to the Coronavirus Food Assistance Program (CFAP), and that the U.S. Department of Agriculture (USDA) made other adjustments to the program based on comments received from agricultural producers and organizations and review of market data. Producers will be able to submit applications that include these commodities on Monday, July 13, 2020. USDA's Farm Service Agency (FSA) is accepting through Aug. 28, 2020, applications for CFAP, which helps offset price declines and additional marketing costs because of the coronavirus pandemic. USDA expects additional eligible commodities to be announced in the coming weeks.

USDA collected comments and supporting data for consideration of additional commodities through June 22, 2020.

Changes to CFAP include:

- Adding the following commodities: alfalfa sprouts, anise, arugula, basil, bean sprouts, beets, blackberries, Brussels sprouts, celeriac (celery root), chives, cilantro, coconuts, collard greens, dandelion greens, greens (others not listed separately), guava, kale greens, lettuce – including Boston, green leaf, Lolla Rossa, oak leaf green, oak leaf red and red leaf – marjoram, mint, mustard, okra, oregano, parsnips, passion fruit, peas (green), pineapple, pistachios, radicchio, rosemary, sage, savory, sorrel, fresh sugarcane, Swiss chard, thyme and turnip top greens.
- Expanding for seven currently eligible commodities – apples, blueberries, garlic, potatoes, raspberries, tangerines and taro – CARES Act funding for sales losses because USDA found these commodities had a 5 percent or greater price decline between mid-January and mid-April as a result of the COVID-19 pandemic. Originally, these commodities were only eligible for marketing adjustments.
- Determining that peaches and rhubarb no longer qualify for payment under the CARES Act sales loss category.
- Correcting payment rates for apples, artichokes, asparagus, blueberries, cantaloupes, cucumbers, garlic, kiwifruit, mushrooms, papaya, peaches, potatoes, raspberries, rhubarb, tangerines and taro.

Additional details can be found in the Federal Register in the [Notice of Funding Availability \(NOFA\)](#) and [Final Rule Correction](#) and at www.farmers.gov/cfap.

Producers have several options for applying to the CFAP program:

- Using an online portal, accessible at gov/cfap, allows producers with secure USDA login credentials—known as eAuthentication—to certify eligible commodities online, digitally sign applications and submit directly to the local USDA Service Center. New commodities will be available in the system on July 13, 2020.
- Completing the application form using our CFAP Application Generator and Payment Calculator found at gov/cfap. 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, then signed and submitted to their local USDA Service Center. An updated version with the new commodities will be available on the website on July 13, 2020.
- Downloading the AD-3114 application form from gov/cfap 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 farmers.gov/coronavirus/service-center-status to check the status of your local office.

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.

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.

FSA Reminds Producers of Ongoing Disaster Assistance Program Signup

The U.S. Department of Agriculture (USDA) has started making payments through the Wildfire and Hurricane Indemnity Program – Plus (WHIP+) to agricultural producers who suffered eligible losses because of drought or excess moisture in 2018 and 2019. Signup for these causes of loss opened March 23, and producers who suffered losses from drought (in counties designated D3 or above), excess moisture, hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms or wildfires can still apply for assistance through WHIP+.

To be eligible for WHIP+, producers must have suffered losses of certain crops, trees, bushes or vines in counties with a Presidential Emergency Disaster Declaration or a Secretarial Disaster Designation (primary counties only) for qualifying natural disaster events that occurred in calendar years 2018 or 2019. Also, losses located in a county not designated by the Secretary as a primary county may be eligible if a producer provides documentation showing that the loss was due to a qualifying natural disaster event.

For losses due to drought, a producer is eligible if any area of the county in which the loss occurred was rated D3, or extreme drought, or higher on the U.S. Drought Monitor during calendar years 2018 or 2019. Producers who suffered losses should contact their FSA county office.

In addition to the recently added eligible losses of drought and excess moisture, FSA will implement a WHIP+ provision for crop quality loss that resulted in price deductions or penalties when marketing crops damaged by eligible disaster events. To ensure an effective program for all impacted farmers, the Agency is currently gathering information on the extent of quality loss from producers and stakeholder organizations.

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 on Service Centers can be found at farmers.gov/coronavirus, and more information on WHIP+ can be found at farmers.gov/whip-plus.

Actively Engaged Provisions for Non-Family Joint Operations or Entities

Many Farm Service Agency 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.

Policy Updates for Acreage Reporting

The USDA Farm Service Agency (FSA) recently made several policy updates for acreage reporting for cover crops, revising intended use, late-filed provisions, grazing allotments as well as updated the definitions of "idle" and "fallow."

Reporting Cover Crops:

FSA made changes to the types of cover crops. Cover crop types can be chosen from the following four categories:

- **Cereals and other grasses** - Any cover crop that is classified as a grass plant or cereal grain, and would include, but not be limited to, the following cover crops: cereal rye, wheat, barley, oats, black oats, triticale, annual ryegrass, pearl millet, foxtail millet (also called German, Italian or Hungarian millet), sorghum sudan grass, sorghum and other millets and grasses.
- **Legumes** - Any cover crop that is classified as a legume, including, but not limited to, clovers, vetches, peas, sun hemp, cowpeas, lentils and other legumes.
- **Brassicas and other broadleaves** - Any cover crop that is classified as a non-legume broadleaf, including, but not limited to, Brassicas such as radishes, turnips, canola,

rapeseed, oilseed rape, and mustards, as well as other broadleaf plants such as phacelia, flax, sunflower, buckwheat, and safflower.

- **Mixtures** - Mixes of two or more cover crop species planted at the same time, for example, oats and radishes.

If the cover crop is harvested for any use other than forage or grazing and is not terminated according to policy guidelines, then that crop will no longer be considered a cover crop and the acreage report must be revised to reflect the actual crop.

Permitted Revision of Intended use After Acreage Reporting Date:

New operators or owners who pick up a farm after the acreage reporting deadline has passed and the crop has already been reported on the farm, have 30 days to change the intended use. Producer share interest changes alone will not allow for revisions to intended use after the acreage reporting date. The revision must be performed by either the acreage reporting date or within 30 calendar days from the date when the new operator or owner acquired the lease on land, control of the land or ownership and new producer crop share interest in the previously reported crop acreage. Under this policy, appropriate documentation must be provided to the County Committee's satisfaction to determine that a legitimate operator or ownership and producer crop share interest change occurred to permit the revision.

Acreage Reports:

In order to maintain program eligibility and benefits, producers must timely file acreage reports. Failure to file an acreage report by the crop acreage reporting deadline may result in ineligibility for future program benefits. FSA will not accept acreage reports provided more than a year after the acreage reporting deadline.

Reporting Grazing Allotments:

FSA offices can now accept acreage reports for grazing allotments. Producers will use form "FSA-578" to report grazing allotments as animal unit months (AUMs) using the "Reporting Unit" field. The local FSA office will need the grazing period start and end date and the percent of public land.

Definitions of Terms

FSA defines "idle" as cropland or a balance of cropland within a Common Land Unit (CLU) (field/subfield) which is not planted or considered not planted and does not meet the definition of fallow or skip row. For example, the balance of a field that could not be planted due to moisture or a turn area that is not planted would be reported as idle.

Fallow is considered unplanted cropland acres which are part of a crop/fallow rotation where cultivated land that is normally planted is purposely kept out of production during a regular growing season. Resting the ground in this manner allows it to recover its fertility and conserve moisture for crop production in the next growing season.

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>.

Report Noninsured Crop Disaster Assistance Program (NAP) Losses

The Noninsured 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 freeze, hail, excessive moisture, excessive wind or hurricanes, flood, excessive heat and qualifying drought (includes native grass for grazing), among others.

Eligible producers must have purchased NAP coverage for 2020 crops. A notice of loss must be filed the earlier of 15 days of the occurrence of the disaster or when losses become apparent or 15 days of the final harvest date.

Producers of hand-harvested crops and certain perishable crops must notify FSA within 72 hours of when a loss becomes apparent.

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 FSA office or visit fsa.usda.gov/nap.

Loans for Targeted Underserved Producers

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or to purchase or improve farms or ranches.

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.

USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning Farmers

The USDA Farm Service Agency (FSA) reminds producers that FSA offers targeted farm ownership and farm operating loans to assist underserved applicants as well as beginning farmers and ranchers.

USDA defines underserved applicants as a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. For farm loan program purposes, targeted underserved groups are women, African Americans, American Indians and Alaskan Natives, Hispanics and Asians and Pacific Islanders.

Underserved or beginning farmers and ranchers who cannot obtain commercial credit from a bank can apply for either FSA direct loans or guaranteed loans. Direct loans are made to applicants by FSA. Guaranteed loans are made by lending institutions who arrange for FSA to guarantee the loan. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. The FSA guarantee allows lenders to make agricultural credit available to producers who do not meet the lender's normal underwriting criteria.

The direct and guaranteed loan program provides for two types of loans: farm ownership loans and farm operating loans. In addition to customary farm operating and ownership loans, FSA now offers Microloans through the direct loan program. The focus of Microloans is on the financing needs of small, beginning farmer, niche and non-traditional farm operations. Microloans are available for both ownership and operating finance needs. To learn more about microloans, visit fsa.usda.gov/microloans.

To qualify as a beginning producer, the individual or entity must meet the eligibility requirements outlined for direct or guaranteed loans. Additionally, individuals and all entity members must have operated a farm for less than 10 years. Applicants must materially or substantially participate in the operation.

For more information on FSA's farm loan programs and targeted underserved and beginning farmer guidelines, visit fsa.usda.gov/farmloans.

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 (<https://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

NRCS Accepting Proposals for Watershed Project Funding Opportunities

The USDA Natural Resources Conservation Service (NRCS) is currently accepting proposals for funding through the Watershed and Flood Prevention Operations Program. This is a competitive opportunity for partners and local sponsors to seek funding through the Small Watershed Programs (PL 83-566 and PL 78-534) administered by NRCS.

Funds are available in three categories: 1) remedial work on existing watershed projects, 2) backlog projects which have an existing authorized watershed plan, and 3) new projects. Proposals are due August 14, 2020.

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).