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Farm Service Agency Electronic News Service

NEWSLETTER

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- USDA Reports Record Enrollment in Key Farm Safety-Net Programs
- USDA Acreage Reporting Deadline for Perennial Forage Changes to July 15
- USDA Announces Updates for Honeybee Producers
- <u>USDA Encourages Producers to Consider NAP Risk Protection Coverage Before Crop Sales Deadlines</u>
- New Farmers.gov Feature Helps Producers Find Farm Loans that Fit Their Operation
- USDA Expands Farm Loans for Native Americans Farming and Ranching on Tribal Land

Arizona FSA Newsletter

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USDA Reports Record Enrollment in Key Farm Safety-Net Programs

Producers signed a record 1.77 million contracts for the U.S. Department of Agriculture's Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2019 crop year, which is more than 107 percent of the total contracts signed compared with a 5-year average. USDA also reminds producers that June 30 is the deadline to enroll in ARC and PLC for the 2020 crop year.

Producers interested in enrolling for 2020 should contact their FSA county office. Producers must enroll by June 30 and make their one-time update to PLC payment yields by September 30.

FSA attributes the significant participation in the 2019 crop year ARC and PLC programs to increased producer interest in the programs under the 2018 Farm Bill and to an increase in eligible farms because of the selling and buying of farms and new opportunities for beginning farmers and military veterans with farms

having 10 or fewer base acres. Enrollment for 2019 ended March 16.

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.

For more information on ARC and PLC, download the <u>program fact sheet</u> or the <u>2014-2018 farm bills comparison fact sheet</u>. Online ARC and PLC election decision tools are available at <u>www.fsa.usda.gov/arc-plc</u>. To locate the nearest USDA Service Center, visit <u>farmers.gov/service-center-locator</u>.

USDA Acreage Reporting Deadline for Perennial Forage Changes to July 15

USDA Farm Service Agency (FSA) has established a new acreage reporting deadline for perennial forage for 2019 and subsequent years. Previously set in the fall, the new deadline is July 15 for all states, except for Hawaii and Puerto Rico.

Timely and accurate acreage reports for all crops and land uses, including prevented planting or failed acreage, are the foundation for many FSA program benefits, including disaster programs for livestock owners. Producers must report their acreage to maintain program eligibility.

Producers who have coverage for perennial forage under the Noninsured Crop Disaster Assistance Program (NAP) must report their crop acreage by the earlier of any of the following:

- the established acreage reporting date (July 15)
- 15 calendar days before the onset of harvest or grazing of the specific crop acreage being reported
- the established normal harvest date for the end of the coverage period.

USDA Announces Updates for Honeybee Producers

The U.S. Department of Agriculture's Farm Service Agency (FSA) announced updates to the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP). These

updates include changes required by the 2018 Farm Bill as well as discretionary changes intended to improve the administration of the program and clarify existing program requirements.

ELAP was previously administered based on FSA's fiscal year but will now run according to the calendar year. Producers are still required to submit an application for payment within 30 calendar days of the end of the program year. This is not a policy change but will affect the deadline. The signup deadline for calendar year 2020 losses is February 1, 2021.

Starting in 2020, producers will have 15 days from when the loss is first apparent, instead of 30 days, to file a honeybee notice of loss. This change provides consistency between ELAP and the Noninsured Crop Disaster Assistance Program, which also has a 15-day notice of loss period for honey. For other covered losses, including livestock feed, grazing and farm-raised fish losses, the notice of loss deadline for ELAP will remain 30 days from when the loss is first apparent to the producer.

Program participants who were paid for the loss of a honeybee colony or hive in either or both of the previous two years will be required to provide additional documentation to substantiate how current year inventory was acquired.

If the honeybee colony loss incurred was because of Colony Collapse Disorder, program participants must provide a producer certification that the loss was a direct result of at least three of the five symptoms of Colony Collapse Disorder, which include:

the loss of live queen and/or drone bee populations inside the hives;

rapid decline of adult worker bee population outside the hives, leaving brood poorly or completely unattended;

absence of dead adult bees inside the hive and outside the entrance of the hive;

absence of robbing collapsed colonies; and

at the time of collapse, varroa mite and Nosema populations are not at levels known to cause economic injury or population decline.

For honeybees, ELAP covers colony losses, honeybee hive losses (the physical structure) and honeybee feed losses in instances where the colony, hive or feed has been destroyed by a natural disaster or, in the case of colony losses, because of Colony Collapse Disorder. Colony losses must be in excess of normal mortality.

ELAP also provides emergency assistance to eligible producers of livestock and farm-raised fish including for feed and grazing losses. It covers losses because of eligible adverse weather or loss conditions, including blizzards and wildfires on federally managed lands. ELAP also covers losses resulting from the cost of transporting water to livestock due to an eligible drought.

For more information on ELAP visit farmers.gov/recover or contact your FSA County Office. To locate your local FSA office, visit farmers.gov/service-locator.

USDA Encourages Producers to Consider NAP Risk Protection Coverage Before Crop Sales Deadlines

The Farm Service Agency encourages producers to examine available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the applicable crop sales deadline.

Producers are reminded that crops not covered by insurance may be eligible for NAP. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage.

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, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

Producers can determine if crops are eligible for federal crop insurance or NAP by visiting https://webapp.rma.usda.gov/apps/ActuarialInformationBrowser2018/CropCriteria.aspx.

The 2018 Farm Bill reinstates 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.

Deadlines for coverage vary by state and crop. To learn more about NAP visit www.fsa.usda.gov/nap or contact your local USDA Service Center. To find your local USDA Service Centers go to https://offices.usda.gov.

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at USDA's online Agent Locator: http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#. Producers can use the USDA Cost Estimator, https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx, to predict insurance premium costs.

New Farmers.gov Feature Helps Producers Find Farm Loans that Fit Their Operation

A new online tool can help farmers and ranchers find information on U.S. Department of Agriculture (USDA) farm loans that may best fit their operations. USDA has launched the new *Farm Loan Discovery Tool* as the newest feature on farmers.gov, the Department's self-service website for farmers.

USDA's Farm Service Agency (FSA) offers a variety of loan options to help farmers finance their operations. From buying land to financing the purchase of equipment, FSA loans can help. Compared to this time last year, FSA has seen an 18 percent increase in the amount it has obligated for direct farm ownership loans, and through the 2018 Farm Bill, has <u>increased the limits</u> for several loan products.

USDA conducted field research in eight states, gathering input from farmers and FSA farm loan staff to better understand their needs and challenges.

How the Tool Works

Farmers who are looking for financing options to operate a farm or buy land can answer a few simple questions about what they are looking to fund and how much money they need to borrow. After submitting their answers, farmers will be provided information on farm loans that best fit their specific needs. The loan application and additional resources also will be provided.

Farmers can download application quick guides that outline what to expect from preparing an application to receiving a loan decision. There are four guides that cover loans to individuals, entities, and youth, as well as information on microloans. The guides include general eligibility requirements and a list of required forms and documentation for each type of loan. These guides can help farmers prepare before their first USDA service center visit with a loan officer.

Farmers can access the Farm Loan Discovery Tool by visiting farmers.gov/fund and clicking the "Start" button. Follow the prompts and answer five simple questions to receive loan information that is applicable to your agricultural operation. The tool is built to run on any modern browser like Chrome, Edge, Firefox, or the Safari browser, and is fully functional on mobile devices. It does not work in Internet Explorer.

About Farmers.gov

In 2018, USDA unveiled farmers.gov, a dynamic, mobile-friendly public website combined with an authenticated portal where farmers will be able to apply for programs, process transactions, and manage accounts.

The Farm Loan Discovery Tool is one of many resources on farmers.gov to help connect farmers to information that can help their operations. Earlier this year, USDA launched the *My Financial Information* feature, which enables farmers to view their loan information, history, payments, and alerts by logging into the website.

USDA is building farmers.gov for farmers, by farmers. In addition to the interactive farm loan features, the site also offers a Disaster Assistance Discovery Tool. Farmers can visit farmers.gov/recover/disaster-assistance-tool#step-1 to find disaster assistance programs that can help their operation recover from natural disasters.

With feedback from customers and field employees who serve those customers, farmers.gov delivers farmer-focused features through an agile, iterative process to deliver the greatest immediate value to America's agricultural producers – helping farmers and ranchers do right, and feed everyone.

For more information or to locate your USDA Service Center, visit farmers.gov.

USDA Expands Farm Loans for Native Americans Farming and Ranching on Tribal Land

Department Awards First Loan Under Highly Fractionated Indian Land Program

USDA has approved and obligated the first loan under the Highly Fractionated Indian Land Loan program (HFIL). The program provides revolving loan funds to qualified intermediary lenders,

allowing qualified tribes and individuals the ability to purchase tribal farmland that has multiple owners.

The first recipient, the Native American Community Development Corporation Financial Services, Inc. (NACDCFS) of Browning, Mont., will lend funds directly to tribal members through a \$10 million intermediary HFIL loan from USDA's Farm Service Agency (FSA). NACDCFS addresses critical needs in Native American communities related to the growth of family assets, supports economic development, and enhances the quality of life for communities and residents located on or near Montana's seven Indian reservations. NACDCFS provides one-on-one technical assistance to Native American entrepreneurs and agricultural producers. NACDCFS is a 501(c) (3), certified Native Community Development Financial Institution (CDFI), through the U.S. Department of Treasury.

Under the <u>1887 Dawes Act</u>, Indian reservation land was divided and allotted to individual tribal members such that with the passing of each generation, title ownership was divided and parceled among heirs, while the land was not. As a result, land once owned by a single person could today be owned by hundreds or thousands of individuals, resulting in what is known as "highly fractionated Indian land." In many instances, landowners are unknown or cannot be located, which complicates the coordination of ownership or prevents the use of the property altogether. There are more than 245,000 owners of three million fractionated land interests, spanning approximately 150 Indian reservations.

Under HFIL, tribes and tribal members can submit an application directly to an intermediary lender. To participate, intermediary lenders first must be approved by USDA. The lenders may be private and tribal nonprofit corporations, public agencies, Indian tribes or lenders subject to federal or state regulation (such as a credit union or other financial institution). FSA will lend to the intermediary, which will relend to the applicant. The intermediary lender also will administer the loan for the applicant.

For more information on the program, visit <u>fsa.usda.gov/farmloans</u> or contact the local FSA county office. To find the local FSA office, visit offices.usda.gov.