Episode 4: CFAP: What you need to know!

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Blake Moore:
My name is Blake Moore, natural resources and horticulture agent.

Dan Severson:
Hey, I'm Dan Severson, Ag agent.

Jake Jones:
Jake Jones, [inaudible 00:00:17] County Ag agent.

Katie Young:
And I'm Katie Young, digital content specialist.

Dan Severson:
Welcome to Extension 302. Hey, well welcome to Extension 302 podcast. I am Dan Severson, and with me as usual is Jake, not affiliated with state farm, Jones and Blake, sir yet, Moore. Anything guys want to say to our listeners before we get started?

Blake Moore:
Just welcome back with us and enjoy the ride.

Dan Severson:
Jake, are you wearing khakis?

Jake Jones:
Blue jeans.

Dan Severson:
Okay, just wanted to check. All right. So our guest today is Robin Talley from FSA, and she's going to talk about the corona food assistance program. And Ms. Robin Talley serves as a director for farm service agency here in Delaware. In this position, she's responsible for leadership of county office operations and loan programs in Delaware. She has been with the FSA, I'm not going to say how many years, because you look like you're 29. So, we'll just go with that. Robin has a BS in agriculture economics, and a master's of business administration, both from U of D. And she grew up on a dairy farm in Northern Delaware, and also some of her accolades is she was a U of D George Warlow award winner a couple of years ago, five years ago, and a distinguished service to Delaware agriculture not too long ago as well. So, Ms. Robin Talley, how are you doing today?

Robin Talley:
I’m well, Dan. That was a wonderful introduction. Wow. I feel younger and smarter.

Dan Severson:
So, normally we start off with a stupid question just to break the ice and everything. So, you grew up in a dairy farm up in Northern Delaware. Were you ever a dairy princess?

Robin Talley:
Never.

Dan Severson:
Never?

Robin Talley:
Never.

Dan Severson:
Okay. So, what's your favorite memory of being home on the farm?

Robin Talley:
Probably just how much space and freedom we had. We were pretty much the only farm kids that far North. And so, I was the only one of all my friends that had a horse and space to play outside and ride and do stuff outside.

Dan Severson:
Yeah, we won't hold the horse thing against you. So, I guess I'll kick it off with, could you explain to us what actually FSA or Farm Service Agency is, what it does and give us a little history on the organization?

Robin Talley:
Sure. Farm Service Agency is a USDA agency. We trace our beginnings back to 1933 to the great depression. It’s actually one of the new deal agencies. And throughout our history, Farm Service Agency has assisted farmers with loans, price support, disaster programs, conservation programs. And what you may not know is we also have a commodity operations division that purchases and delivers commodities that are used for humanitarian programs at home and abroad. So those surplus milk purchases, that kind of stuff goes through our commodity operations division.

Dan Severson:
I was not aware of that. Well, thank you.

Jake Jones:
What is the Corona Food Assistance Program or CFAP, and why is it important for Delaware farmers?

Robin Talley:
So, CFAP provides financial assistance to producers of agricultural commodities that gives them the ability to absorb sales losses and increased marketing costs that are associated with the COVID-19
pandemic. Payments will be issued to producers of Ag commodities who’ve suffered a 5% or more price decline or had losses due to market supply chain disruptions due to COVID-19 and who face additional significant marketing costs as a result of lower demand, surplus production, and disruptions in shipping patterns and the orderly marketing of commodities. So in Delaware, we’ve been processing applications for dairy, livestock, corn and soybeans. As you know, prices for all of these crops have been substantially affected by COVID-19. And in addition to the direct support to farmers through this program, through CFAP, USDA is partnering with regional and local food distributors whose workforces are significantly impacted by the closure of restaurants and hotels and other food service entities. And through that program, we’re purchasing $3 billion in fresh produce, dairy, and meat. And so there, you can see why FSAs commodity operations division is important here.

Jake Jones:
I was going to ask if there were specific dates that are considered affected by the coronavirus outbreak?

Robin Talley:
Yes. And when we talk about the specific commodities, it differs according to the crop. But for the most part, we’re looking at production and sales from January 15 through May 15.

Dan Severson:
So, Ms. Robin, a followup on that, is there eligibility requirements? Do the producers have to have a history with FSA?

Robin Talley:
No. If they’ve never been in our office before, that’s fine. We’ll have to do a little paperwork to establish their farming operation, but they do not need to have been participants before. They need to be the person who grew the crop and took the risk of loss in the crop. And these are covered… We’re talking about 2019 crops here, and for specialty crops and livestock and dairy, it crosses into 2020.

Dan Severson:
Okay.

Blake Moore:
So, you went into this a little bit, but what’s specific commodities, livestock, what's covered in CFAP? And we’ve heard that the poultry industry has not been covered in this round, and is there any reason for that? And should they expect to be included in the future?

Robin Talley:
Right. So, right now, for commodity crops, corn, soybeans, malting, barley, grain, sorghum, and seven other commodities are covered by CFAP. It’s important to note that some wheat is covered, but the soft red winter wheat that’s grown in Delaware is not covered. So no wheat for Delaware, and with respect to barley, it’s malting barley only, not feed barley. So for here, we’re talking about corn soybeans and grain sorghum. And then dairy and wool are both covered, and then the livestock that’s eligible include cattle, hogs, lambs, and yearlings. And then there are currently 44 specialty crops that are eligible for CFAP, and that includes asparagus, mushrooms, and spinach. So the Coronavirus Aid Relief and
Economic Stability act, or the CARES act, and the Commodity Credit Corporation Charter act authorized the funds for CFAP, but poultry was not included in the regulation.

Dan Severson:
So, Ms. Robin, where can farmers learn more about this program, and who can they talk to? Do you have websites? I know through extension, I work closely with you guys, Jake works closely with you guys, I know DDA was trying to do something. Where's the best place, and who's the best person to talk to, to help producers that are trying to understand this?

Robin Talley:
Okay, well one really good place to look is on the web, on the website farmers.gov/cfap. And if that's too much to remember, just farmers.gov and you can navigate your way there. There's all kinds of fact sheets. The forms and other information is available at farmers.gov. And this website also includes something that's called an application generator and payment calculator. It's basically an excel workbook that farmers can use to enter their own information on, and it'll actually generate a completed application that they can sign and send in to receive their payment, and it'll calculate their payment for them, so pretty easy to use. And then they, of course, are always welcome to contact their local office in Newark, Dover or Georgetown. If they have questions or if they need assistance with the application, we're certainly always happy to help with that. And we also... Farm Service Agency is operating a call center to answer questions and provide additional one on one support. And that's something that's new to us, but the phone number for the call center is 877-508-8364.

Dan Severson:
So, do you think there's a chance of a second round, and can people voice their opinion of some of the commodities or animals that are not covered?

Robin Talley:
Yes, there is. The purpose of the program is to target crops that were affected by COVID-19. And like I said, they had to have suffered a 5% loss in price, disruptions in the marketing chain, and things like that. So, there is a process to identify additional commodities to be included in CFAP, and that has to come from the producer, basically USDA. To make a determination that a crop was affected, we need data. So producers can submit data and information if they think that there's a crop that has suffered either a 5% or greater price decline between mid-January and mid-April, or they have been marketing, shipment problems, that kind of thing where they've not been paid for harvested or unharvested crops. The key is that the deadline to do that is next Monday, June 22. And so anyone interested in doing that needs to send in information by Monday, June 22. And anybody who has questions or wants to do that, I'd be glad to help them out getting them directed to the website and the process to do that.

Dan Severson:
Thank you. That's going to be a quick turnaround on our part to try to get this out. I don't think we're going to get it by June 22, but I appreciate it.

Robin Talley:
Okay.

Jake Jones:
So you covered that the application is online, and it sounds pretty easy to find and fill out. Do you have any other advice on filling out the application?

Robin Talley: Yeah. My advice would be just to take a look at that website, if you can, and then for the farmer to gather their production records for the commodities that they grew that are eligible. So the application is a self-certification; it's really simple to complete. So, giving an example of dairy, all we need is the number of pounds produced during January, February, and March. So, it's easy enough to gather that information and fill out the application. For corn and soybeans, they'll certify their total 2019 production of the crop, and then the total 2019 production that was not sold as of January 15. So again, pretty easy numbers to pull together and certify on the application. For livestock, they'll certify their total sales of eligible livestock. They do need to break it down by species and class, so that's their sales between January 15 and April 15. And separately, they'll also certify to their highest inventory of eligible livestock, again, by species in class that they held between April 16 and May 14.

Robin Talley: So, they'll get to decide which day between April 16 and May 14 was their highest inventory of eligible livestock. And then finally for specialty crops, they need three pieces of information. All of it falls between January 15 and April 15. They need to give us the volume of production sold. So for the [inaudible 00:11:09] example of mushrooms, they would tell us how many pounds of mushrooms they sold, the volume of production that was shipped, but not sold, and went unpaid. So, if they had any specialty crop production like that, the volume shipped, but not sold and unpaid. And then finally, if they had any acres with production that were not shipped or sold. I think all of us saw on television that there were string beans that were plowed under, that kind of thing. So production, a crop that was produced, but was not able to be shipped and sold.

Jake Jones: Okay, yeah. I remember seeing some from Florida growers. It seemed like a lot of the news was coming out of Florida.

Robin Talley: Right.

Blake Moore: So, when is the deadline for farmers to apply, and how our applicants prioritized? Is it first come, first serve, until funding runs out? How does that work?

Robin Talley: Okay, so the deadline is August 28 of 2020. So, at the end of the summer, August 28. It is not a first come, first serve program. So, basically to make sure that there is enough money for the program for all applicants, producers will receive 80% of their calculated maximum payment. When we approve the application, they'll get 80% of the calculated amount. And then the remaining portion will be paid later as funds remain available. So, basically we're going to prorate the payment to make sure that money does not run out. So, it's not first come, first serve.
So, is there some data that you guys use to estimate what the claims might be or something like that?

Robin Talley:
At the national level, there was an amount of money appropriated for this portion of the program, and that's basically what they did. They use data on historical acreage that's planted, what the probable amount of claims for the program will be, and then that's how they calculated the payment rates and that kind of thing.

Dan Severson:
So Ms. Robin, the application is self regulated, but you're still going to have to go out eventually and do farm checks or [crosstalk 00:13:06] checks?

Robin Talley:
Yes. So, it's a self-certification now. And then once the program closes, if a producer is selected for review, they'll need to provide documentation to verify the amount of their certification, regardless of what product it was. And so, corn and soybeans, things like that, even vegetable production is normal for... Production evidence is common, dairy production, that kind of thing. And I would recommend for something like livestock, if you don't have written records for inventories and things like that, cell phone pictures are really easy and a really good way to... The cell phone picture is time and date stamped. Go out and take some pictures of your inventory and make some notes, so that if you're asked to later, you can verify the number and the quantity of your livestock inventory.

Dan Severson:
So, is there anything that we have missed, or is there a take home message you would like to leave us with as far as getting this message out?

Robin Talley:
I think with respect to CFAP, one thing about the internet is not all farmers are connected, so anytime you can share the word... So much goes out, as you know, through email and electronic newsletters and that kind of thing, which is not accessible to all farmers. So, if farmers would just check on their neighbors and make sure that... Do they have any grain they haven't marketed yet? Do they have any livestock they might be eligible for? Somebody who might not be connected to share the information with them and get them to call the office so we can help them. And then if I could, one more thing I'd like to sneak in here is not related to CFAP, but July 15th is the deadline to report. It's the crop report deadline throughout the country. It's the deadline for reporting spring seeded crops, like corn, soybeans and vegetables.

Robin Talley:
And as with most businesses and government offices, USDA is using a phased reopening process. So currently in Delaware, we are open by phone appointment only, and that means we need to take acreage reports by mail or email. It's actually something that we've done many times before. There are producers that... Especially producers who till a lot of farms. It's much easier to have them tell us what they have planted on a map and drop it off or email it to us, get it to us somehow, and then we load the data and they sign it later. So, it's not something that we're not used to doing. It's easy enough to do. So, what we need is for every producer who has a crop planted that they need to do an acreage report for,
if you haven't been contacted by the office, please give the office a call and we'll send you a map for all the farms that you till.

Robin Talley:
And then as those crops are planted, and for those that are done now, the producer can enter the crop. All you need to do is write on this map, it's an aerial photo of your farm, what you have planted, the date it was planted, whether it's irrigated or not, anything else you want to tell us about the crop. Get it back to us, either by mail or dropping it off or emailing, whatever. We'll load it and get the report ready for your signature.

Robin Talley:
If you have the ability at home to print stuff and scan it, fax it, that kind of thing, we can take the document back by a scan or a fax. Farmers who don't have the ability to do that, again, one really easy way to exchange information over the internet is to take a picture of it. You can take a picture of your crop report, sign it, and take a picture of your signature, and send that back, and you'll be good to go. And then, one additional thing for this year, we actually... The crop report deadline remains July 15, but crop reports can be filed up to an additional 30 days after that, and it will still be considered timely filed, and normally we would charge a late filing fee for that; that late filing fee is waived. So, we do have some flexibility, and we're going to need it to continue taking crop reports after July 15.

Dan Severson:
I remember back when you guys were transitioning [inaudible 00:17:28] Kent County offices, and I know Maryanne's trolling us during this webinar, this is Zoom conference or podcast. So, I think this should be a good thing for a line budget item. I think the mobile RV office would be awesome right now. You guys would be rocking it.

Robin Talley:
We agree. We're ready. Sign us up. Are you're going to line us up with the RV, Dan?

Dan Severson:
I'm in one right now.

Robin Talley:
All right, well pick this up and we'll go take crop reports.

Dan Severson:
So, if I go to your FSA website, you have fact sheets? We have permission for extension to pass those out and put them on our webpages, our Facebook and stuff like that, we're good with that?

Robin Talley:
Absolutely, and we'd appreciate it.

Dan Severson:
Yeah, anything we can do to help you guys. I think it's a good thing.
Robin Talley:
Jake and Blake, anything you guys want to add? Miss Maryanne, since you're trolling us?

Blake Moore:
Dan, I was hoping you'd call her out. [inaudible 00:18:26] alumni. We need to throw her under the bus, and see if she wants to join us. But I did want to ask, it looks like the webinars that you guys are helping out with are ending June 22. Is there another round of webinars you guys are planning or anything?

Robin Talley:
Not that I've been told.

Blake Moore:
Yeah, so if we're not releasing it by then, I guess we can't really advertise for those webinars on there.

Jake Jones:
I just want to say thanks. It was very informative and that farmers.gov/cfap is a good website. I've been on it multiple times, and I think it has a lot of the information that we covered and you could read it. If a farmer needs to look at it, it's all right there and pretty accessible.

Robin Talley:
Good.

Dan Severson:
Well, Ms. Robin, thank you for taking time out of your day to help explain the Corona Food Assistance Program and how your organization is working to help keep our farmers afloat. And to our listeners out there, if you have any questions or comments, feel free to contact us through Facebook, our webpage, UD extension, however you think it feels right. And Ms. Maryanne, I guess is still hiding. So with that, Ms. Maryanne, we'll give you the ending [inaudible 00:19:25].

Maryanne:
Give us a call in the county office; we'll get you signed up.

Dan Severson:
That was Ms. Maryanne Reed. We didn't give her a proper introduction, but I'm pretty sure everybody in the state of Delaware knows Maryanne and Ms. Robin. So guys, everybody, thank you. We appreciate it.

Robin Talley:
Thank you, Dan, we appreciate you.

Dan Severson:
Yeah, thanks.

Katie Young:
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