

May 2018



Farm Service Agency **Electronic News Service**

# NEWSLETTER

**GovDelivery**

Having trouble viewing this email? [View it as a Web page.](#)

## Alabama FSA Newsletter

---

### Alabama Farm Service Agency

4121 Carmichael Rd.,  
Suite 600  
Montgomery, AL 36106

Phone: 334-279-3500  
Fax: 855-747-0599

[www.fsa.usda.gov/al](http://www.fsa.usda.gov/al)

#### State Executive Director:

David C. McCurdy

#### State Committee:

Monica Carroll, Chairperson  
Andy Lavender, Member  
Rodney Moon, Member  
Steve Penry, Member  
Doug Trantham, Member

To find contact information for  
your local office go to  
[www.fsa.usda.gov/al](http://www.fsa.usda.gov/al)

### Farm Service Agency Makes Administrative Change to the Livestock Indemnity Program

Starting today, agricultural producers who have lost livestock to disease, resulting from a weather disaster, have an additional way to become eligible for the [Livestock Indemnity Program](#).

In the event of disease, this change by USDA's Farm Service Agency (FSA) authorizes local FSA county committees to accept veterinarian certifications that livestock deaths were directly related to adverse weather and unpreventable through good animal husbandry and management. The committees may then use this certification to allow eligibility for producers on a case-by-case basis for LIP.

LIP provides benefits to agricultural producers for livestock deaths in excess of normal mortality caused by adverse weather, disease or by attacks by animals reintroduced into the wild by the federal government. Eligible weather events include earthquakes, hail, tornadoes, hurricanes, storms, blizzard and flooding.

Producers interested in LIP or other USDA disaster assistance programs should contact their [local USDA service center](#).

---

## 2018 Acreage Reporting Dates

In order to comply with FSA program eligibility requirements, all producers are encouraged to visit their local FSA office to file an accurate crop certification report by the applicable deadline.

The following acreage reporting dates are applicable for Alabama:

**November 15, 2017** - Apiculture, PRF/Perennial Forage, Onions

**January 2, 2018** - Honey (If colonies are acquired after January 2, 2018, the crop must be reported within 30 calendar days of the date colonies of bees are acquired, brought into, or removed from the county.)

**January 15, 2018** - Blueberries, Canola, Rapeseed, Fall Oats, Peaches, Fall Wheat

**March 15, 2018** - Pecans, Potatoes (planted Jan. 1- Mar. 1)

**May 15, 2018** - Sweet Corn, Potatoes (planted Mar. 2-Apr. 15), Tobacco, Tomatoes

**May 31, 2018** - Nursery Crops

**July 15, 2018** - CRP and All Other Crops

**September 30, 2018** - Aquaculture and Value Loss Crops

Acreage reporting dates vary by crop and by county so please contact your local FSA office for a list of county-specific deadlines.

The following exceptions apply to acreage reporting dates:

- If the crop has not been planted by the applicable acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is completed.
- If a producer acquires additional acreage after the applicable acreage reporting date, then the acreage must be reported no later than 30 calendar days after purchase or acquiring the lease. Appropriate documentation must be provided to the county office.
- If a perennial forage crop is reported with the intended use of "cover only," "green manure," "left standing," or "seed," then the acreage must be reported by July 15th.

Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP covered crops is the earlier of the applicable dates or 15 calendar days before grazing or harvesting of the crop begins.

For questions regarding crop certification and crop loss reports, please contact your local FSA office.

---

## FSA Reminds Producers of May 31 Deadline for Cotton Ginning Cost Share Program

USDA's Farm Service Agency (FSA) is reminding producers of the May 31 deadline for the [Cotton Ginning Cost Share](#) (CGCS) program. Through the program, cotton producers may receive a cost

share payment, which is based on a producer's 2016 cotton acres reported to FSA multiplied by 20 percent of the average ginning cost for each production region.

FSA is mailing a postcard to remind eligible cotton producers of the May 31 deadline. FSA mailed pre-filled applications with this deadline information to eligible cotton producers in March when the original signup was announced.

For more information on CGCS, producers should contact their [local USDA service center](#).

---

## Perdue Announces Additional Hurricane and Wildfire Recovery Details

Under the direction of President Donald J. Trump, U.S. Secretary of Agriculture Sonny Perdue today announced new details on eligibility for a new U.S. Department of Agriculture (USDA) disaster program, [2017 Wildfires and Hurricanes Indemnity Program \(2017 WHIP\)](#). In total, USDA's [Farm Service Agency \(FSA\)](#) will deploy the up to \$2.36 billion that Congress appropriated through the Bipartisan Budget Act of 2018 to help producers with recovery of their agricultural operations in at least nine states with hurricane damage and states impacted by wildfire. Following the announcement, Secretary Perdue issued this statement:

"Last year our nation experienced some of the most significant disasters we have seen in decades, some back-to-back, at the most critical time in their production year. While USDA has a suite of disaster programs as well as crop insurance available to help producers manage their risk, Congress felt it was important to provide extra assistance to our nation's farms and ranches that were the hardest hit last year," Secretary Perdue said. "At President Trump's direction, our team is working as quickly as possible to make this new program available to farmers in need. Our aim is to provide excellent customer service, building on efforts which began the day the storm hit."

### Key Updates Include:

- **Hurricane Recovery:** To be eligible a crop, tree, bush or vine must be located in a primary disaster county with either a Presidential declaration or a Secretarial designation due to a 2017 hurricane. Crops, trees, bushes or vines located in other counties may also be eligible if the producer provides documentation the loss was caused by a 2017 hurricane.
- **Wildfire Recovery:** Any crop, tree, bush or vine, damaged by a 2017 wildfire is eligible.
- **Eligible Producers:** Eligibility will be determined on an individual basis, using the level of insurance coverage purchased for 2017 for the total crop acres on the area for which the WHIP application is made. Eligible producers who certify to an average adjusted gross income (AGI) of at least 75 percent derived from farming or ranching, including other agriculture and forestry-based businesses during the tax years 2013, 2014 and 2015, will be eligible for a \$900,000 payment limitation with verification. All other eligible producers requesting 2017 WHIP benefits will be subject to a \$125,000 payment limitation.
- **Crop Insurance Requirement:** Both insured and uninsured producers are eligible to apply for WHIP. However, all producers opting to receive 2017 WHIP payments will be required to purchase crop insurance at the 60% coverage level, or Noninsured Crop Disaster Assistance Program (NAP) at the 60% buy up coverage level if crop insurance is not

available. Coverage must be in place for the next two applicable crop years to meet program requirements.

- **Acres Reporting Requirements:** In addition, for the applicable crop years, all producers are required to file an acreage report and report production (if applicable).
- **Payment Formula:** FSA will calculate WHIP payments with this formula:

Payment = Expected Value of the Crop x WHIP Factor - Value of Crop Harvested - Insurance Indemnity

The WHIP factor ranges from 65 percent to 95 percent. Producers who did not insure their crops in 2017 will receive a 65 percent WHIP Factor. Insured producers, or producers who had NAP, will receive between 70 percent and 95 percent WHIP Factors; those purchasing higher levels of coverage will receive higher WHIP Factors.

### **Other USDA Disaster Assistance**

Drought, wildfires and other disasters continue to impact farmers and ranchers, and 2017 WHIP is just one of many programs available through USDA to help with recovery. From crop insurance to on-the-ground rehabilitation programs like the [Emergency Conservation Program](#) (ECP) and [Environmental Quality Incentives Program](#) (EQIP), USDA is here to help. The Bipartisan Budget Act of 2018 provided funding for ECP and the [Emergency Watershed Protection Program](#). The [Act also provided amendments](#) to make programs like the Emergency Assistance for Livestock, Honeybees and Farm-raised Fish Program, Tree Assistance Program and Livestock Indemnity Program even more responsive.

### **More Information:**

FSA will hold a sign-up for 2017 WHIP no later than July 16. Additional information on WHIP is available on [FSA's 2017 WHIP webpage](#). For immediate assistance under any of our other disaster programs, please contact a [local USDA service center](#) or learn more at [www.fsa.usda.gov/disaster](http://www.fsa.usda.gov/disaster).

---

## **Secretary Perdue Names FSA Administrator**

U.S. Secretary of Agriculture Sonny Perdue announced today the appointment of Richard Fordyce to serve as Administrator of the U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA). In his role, Fordyce will provide leadership for FSA and its mission to support agricultural production across America through a network of over 2,100 county and 50 state offices.

Richard Fordyce, a fourth-generation farmer, most recently served as State Executive Director for FSA in Missouri. Prior to his appointment by the Trump Administration, Fordyce served as the director of the Missouri Department of Agriculture from 2013 to 2017. In 2015, Fordyce was awarded the Missouri Farm Bureau Distinguished Service Award and the Agricultural Leaders of Tomorrow Alumnus of the Year. He and his wife, Renee, have two children and grow soybeans, corn and beef cattle on the family farm.

For more information about the Farm Service Agency, please visit [www.fsa.usda.gov](http://www.fsa.usda.gov)

---

## New 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.

The 2014 Farm Bill established additional payment eligibility provisions relating to the farm management component of meeting “actively engaged in farming”. These new provisions apply to joint operations comprised of non-family members or partners, stockholders or persons with an ownership in the farming operation. Effective for 2016 and subsequent crop years, non-family joint operations are afforded to 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 new management provisions.

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.

---

## Cover Crop Guidelines

Recently the Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS) and Risk Management Agency (RMA) worked together to develop consistent, simple and a flexible policy for cover crop practices.

The termination and reporting guidelines were updated for cover crops.

### **Termination:**

The cover crop termination guidelines provide the timeline for terminating cover crops, are based on zones and apply to non-irrigated cropland. To view the zones and additional guidelines visit <https://www.nrcs.usda.gov/wps/portal/nrcs/main/national/landuse/crops/> and click “Cover Crop Termination Guidelines.”

### **Reporting:**

The intended use of cover only will be used to report cover crops. This includes crops

that were terminated by tillage and reported with an intended use code of green manure. An FSA policy change will allow cover crops to be hayed and grazed. Program eligibility for the cover crop that is being hayed or grazed will be determined by each specific program.

If the crop reported as cover only is harvested for any use other than forage or grazing and is not terminated properly, then that crop will no longer be considered a cover crop.

Crops reported with an intended use of cover only will not count toward the total cropland on the farm. In these situations a subsequent crop will be reported to account for all cropland on the farm.

Cover crops include grasses, legumes, and forbs, for seasonal cover and other conservation purposes. Cover crops are primarily used for erosion control, soil health improvement, and water quality improvement. The cover crop may be terminated by natural causes, such as frost, or intentionally terminated through chemical application, crimping, rolling, tillage or cutting. A cover crop managed and terminated according to NRCS Cover Crop Termination Guidelines is **not** considered a crop for crop insurance purposes.

Cover crops can be planted: with no subsequent crop planted, before a subsequent crop, after prevented planting acreage, after a planted crop, or into a standing crop.

---

## Double-Cropping

Each year, state committees will review and approve or disapprove county committee recommended changes or additions to specific combinations of crops.

Double-cropping is approved when the two specific crops have the capability to be planted and carried to maturity for the intended use, as reported by the producer, on the same acreage within a crop year under normal growing conditions. The specific combination of crops recommended by the county committee must be approved by the state committee.

Double-cropping is approved in Alabama on a county-by-county basis. Contact your local FSA Office for a list of approved double-cropping combinations for your county.

A crop following a cover crop terminated according to termination guidelines is approved double cropping and these combinations do not have to be approved by the state committee.

---

## 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.

---

## 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 [www.fsa.usda.gov/microloans](http://www.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 [www.fsa.usda.gov/farmloans](http://www.fsa.usda.gov/farmloans).

---

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).