

July 2016



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Arizona FSA Newsletter

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To find contact information
for your local office go to
www.fsa.usda.gov/xx

Enrollment Period for 2016 USDA Safety Net Coverage Ends Aug. 1

Producers who chose coverage from the safety net programs established by the 2014 Farm Bill, known as the Agriculture Risk Coverage (ARC) or the Price Loss Coverage (PLC) programs, can visit FSA county offices through Aug. 1, 2016, to sign contracts to enroll in coverage for 2016.

Although the choice between ARC and PLC is completed and remains in effect through 2018, producers must still enroll their farm by signing a contract each year to receive coverage.

Producers are encouraged to contact their local FSA office to schedule an appointment to enroll. If a farm is not enrolled during the 2016 enrollment period, producers on that farm will not be eligible

for financial assistance from the ARC or PLC programs should crop prices or farm revenues fall below the historical price or revenue benchmarks established by the program.

The two programs were authorized by the 2014 Farm Bill and offer a safety net to agricultural producers when there is a substantial drop in prices or revenues for covered commodities. Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium grain rice (which includes short grain and sweet rice), safflower seed, sesame, soybeans, sunflower seed and wheat. Upland cotton is no longer a covered commodity. For more details regarding these programs, go to www.fsa.usda.gov/arc-plc.

For more information, producers are encouraged to visit their local FSA office. To find a local FSA office, visit <http://offices.usda.gov>.

Borrower Training

Borrower training is available for all Farm Service Agency customers. This training is required for all direct loan applicants, unless the applicant has a waiver issued by the agency.

Borrower training includes instruction in production and financial management. The purpose is to help the applicant develop and improve skills that are necessary to successfully operate a farm and build equity in the operation. It aims to help the producer become financially successful. Borrower training is provided, for a fee, by agency approved vendors. Contact your local FSA Farm Loan Manager for a list of approved vendors.

Farmers to Receive Documentation of USDA Services

Farm Service Agency (FSA) reminds agricultural producers that FSA provides a receipt to customers who request or receive assistance or information on FSA programs.

The 2014 Farm Bill requires a customer receipt to be issued for any agricultural program assistance requested from FSA, the National Resources Conservation Service (NRCS) and Rural Development (RD). Receipts include the date, summary of the visit and any agricultural information, program and/or loan assistance provided to an individual or entity. Electronic receipts for acreage reports will

begin on August 1, 2016.

A service is any information, program or loan assistance provided whether through a visit, email, fax or letter.

USDA Provides Targeted Assistance to Cotton Producers to Share in the Cost of Ginning

One-time Payments to Begin in July to Assist with 2016 Ginning Season

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) will provide an estimated \$300 million in cost-share assistance payments to cotton producers through the new Cotton Ginning Cost-Share program, in order to expand and maintain the domestic marketing of cotton.

The Cotton Ginning Cost Share program will offer meaningful, timely and targeted assistance to cotton growers to help with their anticipated ginning costs and to facilitate marketing. The program will provide, on average, approximately 60 percent more assistance per farm and per producer than the 2014 program that provided cotton transition assistance."

Through the Cotton Ginning Cost-Share program, eligible producers can receive a one-time cost share payment, which is based on a producer's 2015 cotton acres reported to FSA, multiplied by 40 percent of the average ginning cost for each production region. With the pressing need to provide assistance ahead of the 2016 ginning season this fall, USDA will ensure the application process is straight-forward and efficient. The program estimates the costs based on planting of cotton in 2015, and therefore the local FSA offices already have this information for the vast majority of eligible producers and the applications will be pre-populated with existing data. Sign-up for the program began June 20 and runs through Aug. 5, 2016 at the producer's local FSA office. Payments will be processed as applications are received, and are expected to begin in July.

Since 2011, cotton fiber markets have experienced dramatic changes. As a result of low cotton prices and global oversupply, cotton producers are facing economic uncertainty that has led to many producers having lost equity and having been forced to liquidate equipment and land to satisfy loans. The ginning of cotton is necessary prior to marketing the lint for fiber, or the seed for oil or feed. While the Cotton Ginning Cost-Share program makes payments to cotton producers for cotton ginning costs, the benefits of the program will be felt by the broader marketing chain associated with cotton and cottonseed, including cotton gins, cooperatives, marketers and cottonseed crushers and the rural communities that depend on them.

The program has the same eligibility requirements as were used for the 2014 Cotton Transition Assistance Program, including a \$40,000 per producer payment limit, requirement to be actively engaged in farming, meet conservation compliance and a \$900,000 adjusted gross income limit.

To learn more about the Cotton Ginning Cost-Share program, visit www.fsa.usda.gov/cgcs or contact a local FSA county office. To find your local FSA county office, visit <http://offices.usda.gov>.

Report Livestock Losses

The Livestock Indemnity Program (LIP) provides assistance to eligible producers for livestock death losses in excess of normal mortality due to adverse weather and attacks by animals reintroduced

into the wild by the federal government or protected by federal law. LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to hurricanes, floods, blizzards, wildfires, extreme heat or extreme cold.

For 2016, eligible losses must occur on or after Jan. 1, 2016, and before December 31, 2016. A notice of loss must be filed with FSA within 30 days of when the loss of livestock is apparent. Participants must provide the following supporting documentation to their local FSA office no later than 30 calendar days after the end of the calendar year for which benefits are requested:

- Proof of death documentation
- Copy of growers contracts
- Proof of normal mortality documentation

USDA has established normal mortality rates for each type and weight range of eligible livestock, i.e. Adult Beef Cow = 1.5% and Non-Adult Beef Cattle (less than 400 pounds) = 3%. These established percentages reflect losses that are considered expected or typical under "normal" conditions. Producers who suffer livestock losses in 2016 must file both of the following:

- A notice of loss the earlier of 30 calendar days of when the loss was apparent or by January 30, 2017
- An application for payment by January 30, 2017.

Additional Information about LIP is available at your local FSA office or online at: www.fsa.usda.gov.

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 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).

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