



# NEWSLETTER



January 2015

## Idaho Farm Service Agency

9173 West Barnes Drive  
Suite B  
Boise, ID 83709

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

### State Committee:

Scott McLeod, Chair  
Bobbi Bodine  
Sherry Crutcher  
Matt Gellings  
Amy Manning

### Executive Director

Mark Samson

### Farm Loan Chief

Aaron Johnson

### Farm Program Chief

Jeff Mitchell

To find contact information for your local office you can go to [www.fsa.usda.gov/id](http://www.fsa.usda.gov/id) and select County Offices.

## FSA ANNOUNCES NEW YIELD DATA FOR SAFETY NET CALCULATIONS

*Farmers can Update Yield History through Feb. 27, 2015*

The U.S. Department of Agriculture Farm Service Agency (FSA) offers farmers new information to update program payment yields that will help them better select protections offered by the Agricultural Risk Coverage (ARC) and Price Loss Coverage (PLC) programs. The new programs, established by the 2014 Farm Bill, are cornerstones of the commodity farm safety, offering farmers protection when market forces cause substantial drops in crop prices and revenues.

The Farm Bill provides landowners with the option of updating their farm program payment yields and this is the first time that many producers have been able to update yields since 1986. FSA has worked with the Risk Management Agency (RMA) to make available certified yield data that producers can use to better calculate how the new safety net programs can offer the best protection against market swings.

Producers can check with their local FSA county office to see if data is available for them. This data belongs to the producer and only the producer associated with the crop insurance records will be provided this service. Updating yield history or reallocating base acres can occur until Feb. 27, 2015.

FSA also issued a reminder that from Nov. 17, 2014, to March 31, 2015, producers will make a one-time election of either ARC or PLC for the 2014 through 2018 crop years. For more information, producers are encouraged to make an appointment to go into their local FSA county office. To find a local FSA county office, visit [offices.usda.gov](http://offices.usda.gov). Additional information on the new programs is available at [www.fsa.usda.gov/arc-plc](http://www.fsa.usda.gov/arc-plc).

## IMPORTANT ARC/PLC PROGRAM DEADLINES APPROACHING

Producers are reminded that the deadline to update yield history and/or reallocate base acres is Feb. 27, 2015. Farm owners and producers can choose between the new 2014 Farm Bill established programs, Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) through March 31, 2015. The new programs, designed to help producers better manage risk, usher in one of the most significant reforms to U.S. farm programs in decades.

USDA helped create online tools to assist in the decision process, allowing farm owners and producers to enter information about their operation and see projections that show what ARC and/or PLC will mean for them under possible future scenarios. Farm owners and producers can access the online resources, available at [www.fsa.usda.gov/arc-plc](http://www.fsa.usda.gov/arc-plc), from the convenience of their home computer or mobile device at any time.

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 rice), safflower seed, sesame, soybeans, sunflower seed and wheat. Upland cotton is no longer a covered commodity.

Dates associated with ARC and PLC that farm owners and producers need to know:

- Now through Feb. 27, 2015: Farm owners may visit their local Farm Service Agency office to update yield history and/or reallocate base acres.
- Now through March 31, 2015: Producers make a one-time election between ARC and PLC for the 2014 through 2018 crop years.
- Mid-April 2015 through summer 2015: Producers sign contracts for 2014 and 2015 crop years.
- October 2015: Payments issued for 2014 crop year, if needed.

To learn more about which safety net options are most appropriate for specific farming operations, farmers can use new Web tools at [www.fsa.usda.gov/arc-plc](http://www.fsa.usda.gov/arc-plc), which can be accessed from the convenience of a home computer or a mobile device at any time. To learn more about upcoming educational meetings, farmers can contact their local Farm Service Agency county office at <http://offices.sc.egov.usda.gov/locator/app>.

## **USDA PROVIDES GREATER PROTECTION FOR FRUIT, VEGETABLE AND OTHER SPECIALTY CROP GROWERS**

Greater protection is now available from the Noninsured Crop Disaster Assistance Program for crops that historically have been ineligible for federal crop insurance. The new options, created by the 2014 Farm Bill, provide greater coverage for losses when natural disasters affect specialty crops such as vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, and energy crops.

Previously, the program offered coverage at 55 percent of the average market price for crop losses that exceed 50 percent of expected production. Producers can now choose higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price.

The expanded protection will be especially helpful to beginning and socially disadvantaged producers, as well as farmers with limited resources, who will receive fee waivers and premium reductions for expanded coverage. More crops are now eligible for the program, including expanded aquaculture production practices, and sweet and biomass sorghum. For the first time, a range of crops used to produce bioenergy will be eligible as well.

To help producers learn more about the Noninsured Crop Disaster Assistance Program and how it can help them, USDA, in partnership with Michigan State University and the University of Illinois, created an online resource. The Web tool, available at [www.fsa.usda.gov/nap](http://www.fsa.usda.gov/nap), allows producers to determine whether their crops are eligible for coverage. It also gives them an opportunity to explore a variety of options and levels to determine the best protection level for their operation.

If the application deadline for an eligible crop has already passed, producers will have until Jan. 14, 2015, to choose expanded coverage through the Noninsured Crop Disaster Assistance Program. To learn more, visit the Farm Service Agency (FSA) website at [www.fsa.usda.gov/nap](http://www.fsa.usda.gov/nap) or contact your local FSA office at [offices.usda.gov](http://offices.usda.gov). The Farm Service Agency (FSA), which administers the program, also wants to hear from producers and other interested stakeholders who may have suggestions or recommendations on the program. Written comments will be accepted until Feb. 13, 2015 and can be submitted through [www.regulations.gov](http://www.regulations.gov).

## **USDA ANNOUNCES NEW SUPPORT FOR BEGINNING FARMERS AND RANCHERS**

*Department Implementing New Farm Bill Programs, Unveiling New Centralized Online Resource to Support Next Generation of Farmers*

USDA has announced the implementation of new Farm Bill measures and other policy changes to improve the financial security of new and beginning farmers and ranchers. USDA also unveiled [www.USDA.gov/newfarmers](http://www.USDA.gov/newfarmers), a new website that will provide a centralized, one-stop resource where beginning farmers and ranchers can explore the variety of USDA initiatives designed to help them succeed.

USDA's [www.usda.gov/newfarmers](http://www.usda.gov/newfarmers) has in depth information for new farmers and ranchers, including: how to increase access to land and capital; build new market opportunities; participate in conservation opportunities; select and use the right risk management tools; and access USDA education, and technical support programs. These issues have been identified as top priorities by new farmers.

The website will also feature instructive case studies about beginning farmers who have successfully utilized USDA resources to start or expand their business operations.

Today's policy announcements in support of beginning farmers and ranchers include:

- Waiving service fees for new and beginning farmers or ranchers to enroll in the Non-Insured Crop Disaster Assistance Program (NAP) for the 2014 crop year. NAP provides risk management tools to farmers who grow crops for which there is no crop insurance product. Under this waiver, announced via an official notice to Farm Service Agency offices, farmers and ranchers whom already enrolled in NAP for the 2014 crop year and certified to being a beginning farmer or social disadvantaged farmer are eligible for a service fee refund.
- Eliminating payment reductions under the Conservation Reserve Program (CRP) for new and beginning farmers which will allow routine, prescribed, and emergency grazing outside the primary nesting season on enrolled land consistent with approved conservation plans. Previously, farmers and ranchers grazing on CRP land were subject to a reduction in CRP payments of up to 25 percent. Waiving these reductions for new and beginning farmers will provide extra financial support during times of emergency like drought and other natural disasters.
- Increasing payment rates to beginning farmers and ranchers under Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP). Under this provision, beginning farmers can claim up 90 percent of losses for lost livestock, such as bees, under ELAP. This is a fifty percent increase over previously available payment amounts to new and beginning farmers.

In the near future, USDA will also announce additional crop insurance program changes for beginning farmers and ranchers – including discounted premiums, waiver of administrative fees, and other benefits.

Additional information about USDA actions in support of beginning farmers and ranchers is available [here](#).

## **FARM BILL ALLOWS EARLY TERMINATION FOR CERTAIN CRP CONTRACTS**

The Farm Service Agency reminds producers with acres under contract through the Conservation Reserve Program (CRP) that they can apply for early contract termination, as required by the 2014 Farm Bill. The deadline to request early CRP contract termination is Jan. 30, 2015.

This is a unique opportunity to request early termination afforded by the 2014 Farm Bill. The earliest effective date for this early termination is October 1, 2014. The requesting CRP contract must have been in effect for at least five years and additional eligibility conditions must be met to qualify. The 2014 Farm Bill identifies a list of 10 exceptions whereby land will not be eligible for the early termination provisions. For a complete list of these exceptions, please view the program fact sheet online at [http://www.fsa.usda.gov/Internet/FSA\\_File/crp\\_opt\\_out\\_fact\\_sht.pdf](http://www.fsa.usda.gov/Internet/FSA_File/crp_opt_out_fact_sht.pdf)

Once a CRP contract termination request is approved by the FSA County Committee, the decision may not be reversed and the terminated contract will not be reinstated. Once the land is no longer considered under the CRP contract all participants must meet

HEL/WC and other conservation compliance provisions for all associated lands.

For more information or to verify eligibility for early termination (opt-out) for existing CRP contracts, please contact your local FSA office. For local FSA Service Center contact information, please visit: [offices.usda.gov](http://offices.usda.gov).

## **LIVESTOCK DISASTER ASSISTANCE APPLICATION DEADLINE JANUARY 30, 2015**

Livestock disaster program enrollment opened on April 15, 2014. These disaster programs are authorized by the 2014 Farm Bill as permanent programs and provide retroactive authority to cover losses that occurred on or after Oct. 1, 2011.

Eligible producers can sign-up for the following livestock disaster assistance programs:

### Livestock Forage Disaster Program (LFP):

LFP provides compensation to eligible livestock producers that have suffered grazing losses due to drought on privately owned or cash leased land or fire on federally managed land. Eligible producers must physically be located in a county affected by a qualifying drought during the normal grazing period for the county. Producers who suffered eligible grazing losses should submit a completed CCC-853 and supporting documentation by January 30, 2015.

### Livestock Indemnity Program (LIP):

LIP provides compensation to eligible livestock producers that have suffered 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. Producers who suffered livestock death losses should submit a notice of loss and an application for payment to their local FSA office by January 30, 2015.

## **2014 MAL AND LDP REQUESTS**

The USDA Farm Service Agency (FSA) is accepting requests for marketing assistance loans (MALs) and loan deficiency payments (LDPs) for eligible 2014 commodities.

MALs and LDPs for the 2014 crop year become available to eligible producers beginning with harvest/shearing season and extending through a specific commodity's final loan availability date. Sugar commodity loans for the 2014 crop became available to sugar processors on Oct. 1, 2014.

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, rice, peanuts, cotton, wool and honey. MALs provide producers interim financing after harvest to help them meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available. Marketing loan provisions and LDPs are not available for sugar and extra-long staple cotton.

Before MAL repayments and LDP disbursements can be made, producers must meet the requirements of actively engaged in farming, cash rent tenant and member contribution.

Additionally, form CCC-902 and CCC-901 must be submitted for the 2014 crop year, if applicable, with a county committee determination and updated subsidiary files.

To be considered eligible for an LDP, producers must have form CCC-633EZ, Page 1 on file at their local FSA Office before losing beneficial interest in the crop. Pages 2, 3 or 4 of the form must be submitted when payment is requested.

Please contact your local FSA office for additional eligibility requirements.

The 2014 Farm Bill also establishes payment limitations per individual or entity not to exceed \$125,000 annually on certain commodities for the following program benefits: price loss coverage payments, agriculture risk coverage payments, marketing loan gains (MLGs) and LDPs. These payment limitations do not apply to MAL loan disbursements.

Adjusted Gross Income (AGI) provisions were modified by the 2014 Farm Bill, which states that a producer whose total applicable three-year average AGI exceeds \$900,000 is not eligible to receive an MLG or LDP.

National and county loans rates for 2014 crops are posted on the FSA website at: [www.fsa.usda.gov/pricesupport](http://www.fsa.usda.gov/pricesupport).

For more information, please visit a nearby USDA Service Center or FSA's website [www.fsa.usda.gov](http://www.fsa.usda.gov).

2011, 2012, 2013 and 2014 Average Adjusted Gross Income Compliance Reviews

The AGI verification and compliance reviews for 2011, 2012, 2013 and 2014 are conducted on producers who the IRS indicated may have exceeded the adjusted gross income limitations described in [7 CFR 1400.500]. Based on this review, producers will receive determinations of eligibility or ineligibility.

If the producer is determined to have exceeded the average AGI limitation of \$900,000, receivables will be established for payments earned directly or indirectly by the producer subject to the \$900,000 limitation. The Texas FSA Office has begun notifying producers selected for review. If you have any questions about the review process or determinations, please contact the Texas FSA Office at 979-680-5191. Producers who receive initial debt notification letters may only appeal the amount of the debt to their local FSA office.

Adverse determinations become administratively final 30 days from the date of the adverse determination letter and can only be reopened if exceptional circumstances exist that prevented the producer from timely filing the appeal.

## **BEGINNING FARMER LOANS**

FSA assists beginning farmers to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county's average size farm.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit [www.fsa.usda.gov](http://www.fsa.usda.gov).

## LOANS FOR THE SOCIALLY DISADVANTAGED

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 purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of socially disadvantaged applicants.

A socially disadvantaged 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, socially disadvantaged 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.

### DATES TO REMEMBER

Jan 19	Offices closed for Martin Luther King Holiday
Jan 30	Application deadline for LFP/LIP
Jan 30	Deadline to request early termination of CRP contracts
Feb 27	Deadline to certify to reallocation of yield updates
Mar 31	Last day to make ARC/PLC election

### Selected Interest Rates for January 2015

Farm Operating Loans – Direct	2.625%
Farm Ownership Loans - Direct	4.00%
Farm Ownership Loans – Limited Resource	5.00%
Farm Ownership - Joint Financing	2.5%
Farm Ownership – Direct Down payment, Beginning Farmer or Rancher	1.5%
Emergency Loans	3.625%
Farm Storage Facility Loans (7 years)	2.00%
Farm Storage Facility Loans – (10 years)	2.25%
Farm Storage Facility Loans – (12 years)	2.375%

The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department (not all prohibited bases apply to all programs). Individuals who are deaf, hard of hearing or have speech disabilities and wish to file a program complaint must contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 845-6136 (in Spanish). Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, etc.) must contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html), or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax at (202) 690-7442 or e-mail at [program.intake@usda.gov](mailto:program.intake@usda.gov). USDA is an equal opportunity provider and employer.