



NEWSLETTER



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USDA ISSUES SAFETY-NET PAYMENTS TO IDAHO FARMERS FACING MARKET TURNDOWN

Idaho Farm Service Agency

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In November Idaho Farm Service Agency (FSA) Executive Director, Mark Samson announced that approximately 1600 or 13% of Idaho farms who enrolled in the new safety-net programs established by the 2014 Farm Bill would soon begin receiving financial assistance for the 2014 crop year. The programs, known as Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC), are designed to protect against unexpected drops in crop prices or revenues due to market downturns.

These new safety-net programs provide help when price and revenues fall below normal, unlike the previous direct payments program that provided funds even in good years. For example, many Idaho wheat growers experienced revenue prices below the established guarantee for wheat in their county. Idaho also has 23 counties who harvest corn and these counties experienced a 30.1 percent drop in price below the historical benchmark price established by the ARC-CO program. For these counties payment distribution began in October. However, in counties where revenue from a combination of price and yield were the same or higher, no financial assistance occurred.

Although a full list of the crops that triggered a payment is not yet available, other crops that fell below the established guarantee included barley, oats, canola, chickpeas and pulse crops. Also important to note is that ARC-CO payments by county can vary because crops and average county yields will differ between counties.

Statewide, 2,768 farms participated in ARC-County for all crops; 7760 farms participated in PLC for all crops; 1,936 participated in ARC-County for some crops and PLC on others. As of November 5th, PLC payments have not triggered because the effective price of the covered commodities has been higher than the respective reference price for that commodity. More details on the price and yield information used to calculate the financing assistance from the safety-net programs is available on the FSA website at www.fsa.usda.gov/arc-plc.

To learn more about the data used in calculating payments, how payments are calculated, crop-specific and state-specific information, please visit our website at www.fsa.usda.gov/arc-plc.

TREE ASSISTANCE PROGRAM (TAP) SIGN-UP

Orchardists and nursery tree growers who experience losses from natural disasters during calendar year 2015 must submit a TAP application either 90 calendar days after the disaster event or the date when the loss is apparent. TAP was authorized by the Agricultural Act of 2014 as a permanent disaster program. TAP provides financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes and vines damaged by natural disasters.

Eligible tree types include trees, bushes or vines that produce an annual crop for commercial purposes. Nursery trees include ornamental, fruit, nut and Christmas trees that are produced for commercial sale. Trees used for pulp or timber are ineligible.

To qualify for TAP, orchardists must suffer a qualifying tree, bush or vine loss in excess of 15 percent mortality from an eligible natural disaster. The eligible trees, bushes or vines must have been owned when the natural disaster occurred; however, eligible growers are not required to own the land on which the eligible trees, bushes and vines were planted.

If the TAP application is approved, the eligible trees, bushes and vines must be replaced within 12 months from the date the application is approved. The cumulative total quantity of acres planted to trees, bushes or vines, for which a producer can receive TAP payments, cannot exceed 500 acres annually.

To find contact information for your local office you can go to www.fsa.usda.gov/id and select County Offices.

MAL AND LDP POLICY CHANGES

The Agricultural Act of 2014 authorized 2014-2018 crop year Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs), with a few minor policy changes.

Among the changes, farm-stored MAL collateral transferred to warehouse storage will retain the original loan rate, be allowed to transfer only the outstanding farm-stored quantity with no additional quantity allowed and will no longer require producers to have a paid for measurement service when moving or commingling loan collateral.

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 with a market loan gain or 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.

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. Producers must have a valid CCC-941 on file to earn a market gain of LDP.

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.

LIVESTOCK INDEMNITY PROGRAM (LIP)

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 2015, eligible losses must occur on or after Jan. 1, 2015, and before December 31, 2015. 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

FSA Idaho 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) = 3.9%. These established percentages reflect losses that are considered expected or typical under "normal" conditions. Producers who suffer livestock losses must file both of the following:

- A notice of loss the earlier of 30 calendar days of when the loss was apparent or by 12/30/15
- An application for payment by January 30, 2016

USDA ACCEPTING MORE FARMLAND FOR WILDLIFE HABITAT IN IDAHO

The Idaho Farm Service Agency (FSA) announced that an additional 20,000 acres of agricultural land in Idaho is eligible for funding for wildlife habitat restoration.

The initiative, known as State Acres for Wildlife Enhancement (SAFE), is part of the USDA Conservation Reserve Program (CRP), a federally-funded voluntary program that for 30 years has assisted agricultural producers with the cost of restoring, enhancing and protecting certain grasses, shrubs and trees to improve water quality, prevent soil erosion and reduce loss of wildlife habitat. In return, USDA provides participants with rental payments and cost-share assistance. CRP has helped farmers and ranchers prevent more than 8 billion tons of soil from eroding, reduce nitrogen and phosphorous runoff relative to cropland by 95 and 85 percent respectively, and even sequester 43 million tons of greenhouse gases annually, equal to taking 8 million cars off the road. In total, up to 400,000 acres of additional agricultural land will be eligible for wildlife habitat restoration funding through this SAFE announcement.

Here in Idaho, the additional acres are designed specifically to increase Columbian Sharp-tailed Grouse habitat. Since it was first established in 2008, farmers and ranchers have enrolled 100,000 acres, resulting in increased habitat and specific nesting areas for this game bird. These practices have reversed the trend of reduced populations that has occurred across their traditional range.

Interested producers can offer land for enrollment in SAFE and other CRP initiatives by contacting their local FSA county office at <http://offices.usda.gov>. To read stories on CRP go to www.fsa.usda.gov/CRPis30 or visit www.fsa.usda.gov/conservation.

FILING CCC-941 ADJUSTED GROSS INCOME (AGI) CERTIFICATIONS

Many producers have experienced delays in receiving Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments, Loan Deficiency Payments (LDPs) and Market Gains on Marketing Assistance Loans (MALs) because they have not filed form CCC-941, Adjusted Gross Income Certification. LDPs will not be paid until all eligible producers, including landowners who share in the crop, have filed a valid CCC-941.

Producers without a valid CCC-941 certifying their compliance with the average adjusted gross income provisions will not receive payments that have been processed. All farm operator/tenants/owners who have not filed a CCC-941 and have pending payments should IMMEDIATELY file the form with their recording county FSA office. Farm operators and tenants are encouraged to ensure that their landowners have filed the form. FSA has been issuing 2014 ARC/PLC payments, 2015 LDPs and Market Gains.

FSA can accept the CCC-941 for 2014, 2015 and 2016. Unlike the past, producers must have the CCC-941 certifying their AGI compliance before any payments can be issued.

FARMERS TO RECEIVE DOCUMENTATION OF USDA SERVICES

Local Offices Issue Receipts for Services Provided

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

As part of FSA's mission to provide enhanced customer service, producers who visit FSA will receive documentation of services requested and provided. From December through June, FSA issued more than 327,000 electronic receipts.

The 2014 Farm Bill requires a 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.

In some cases, a form or document – such as a completed and signed program enrollment form – serve as the customer receipt instead of a printed or electronic receipt. A service is any information, program or loan assistance provided whether through a visit, email, fax or letter.

LOANS FOR TARGETED UNDERSERVED PRODUCERS

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 to purchase or improve farms or ranches.

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

A targeted underserved 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, targeted underserved 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.

USDA PACKAGES DISASTER PROTECTION WITH LOANS TO BENEFIT SPECIALTY CROP AND DIVERSIFIED PRODUCERS

Free basic coverage and discounted premiums available for new and underserved loan applicants

U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) today announced that producers who apply for FSA farm loans also will be offered the opportunity to enroll in new disaster loss protections created by the 2014 Farm Bill. The new coverage, available from the Noninsured Crop Disaster Assistance Program (NAP), is available to FSA loan applicants who grow non-insurable crops, so this is especially important to fruit and vegetable producers and other specialty crop growers.

New, underserved and limited income specialty growers who apply for farm loans could qualify for basic loss coverage at no cost, or higher coverage for a discounted premium.

The basic disaster coverage protects at 55 percent of the market price for crop losses that exceed 50 percent of production. Covered crops include “specialty” crops, for instance, vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, hay, forage, grazing and energy crops. FSA allows beginning, underserved or limited income producers to obtain NAP coverage up to 90 days after the normal application closing date when they also apply for FSA credit.

In addition to free basic coverage, beginning, underserved or limited income producers are eligible for a 50 percent discount on premiums for the higher levels of coverage that protect up to 65 percent of expected production at 100 percent of the average market price. Producers also may work with FSA to protect value-added production, such as organic or direct market crops, at their fair market value in those markets. Targeted underserved groups eligible for free or discounted coverage are American Indians or Alaskan Natives, Asians, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, Hispanics, and women.

FSA offers a variety of loan products, including farm ownership loans, operating loans and microloans that have a streamlined application process.

Growers need not apply for an FSA loan, nor be a beginning, limited resource, or underserved farmer, to be eligible for Noninsured Crop Disaster Assistance Program assistance. To learn more, visit www.fsa.usda.gov/nap or www.fsa.usda.gov/farmloans, or contact your local FSA office at <https://offices.usda.gov>.

USDA TO PROVIDE AGRICULTURAL CREDIT TRAINING, EXPAND OPPORTUNITIES FOR FARMER VETERANS AND BEGINNING FARMERS

USDA announced a partnership with the Farmer Veteran Coalition (FVC) to conduct agricultural credit training sessions in the Midwest for military veterans and beginning farmers and ranchers. States under consideration to host the workshops include Iowa, Illinois, Indiana, Michigan, Minnesota, Missouri, and Nebraska.

These workshops will provide individuals interested in farming as a career, including military veterans, with methods to improve business planning and financial skills, and improve understanding of the risk management tools that can help small farm operations.

Other partners include Niman Ranch a community network of more than 700 independent family farmers and ranchers, and the Farm Credit Council and the Farm Credit System, which provides loans, leases and financial services to farmers, ranchers and rural businesses across the United States. The workshops will also include assistance with credit applications and introductions to local or regional food markets.

To learn more about veterans in agriculture, visit www.usda.gov/veterans. Visit www.fsa.usda.gov/farmloans or your local Farm Service Agency (FSA) office to learn more about FSA's farm loan programs. To find your local FSA office, visit <http://offices.usda.gov>. More information also is available from the Farmer Veteran Coalition at www.farmvetco.org.

Dates to Remember	
Dec 7	Enrollment begins for Elected Safety Net Options
Dec 15	Fall Crop reporting ends
Jan. 4, 2016	NAP reporting ends for 2015 honeybee colonies for honey
Jan. 30, 2016	Deadline to file NAP application for coverage
Feb 26, 2016	CRP 49 Enrollment Ends

Selected Interest Rates for December 2015	
Farm Operating Loans — Direct	2.375%
Farm Ownership Loans — Direct	3.75%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.50%
Farm Storage Facility Loans (7 years)	2%
Farm Storage Facility Loans (12 years)	2.375%

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