

July 2016



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Illinois FSA Newsletter

Illinois Farm Service Agency

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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.

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

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.

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>.

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 will be issuing potential 2015 ARC/PLC payments in October.

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

Conduct USDA Business Online By Creating an eAuthentication Account

The Internet allows you, the customer, access to USDA information 24 hours a day, seven days a week. You can fill out and submit electronic forms (eForms) any time of the day or night from anywhere you have Internet access. This new service delivery option allows you to complete and file your own forms or applications online, because your signature is already electronically "on file."

Information submitted to the Federal Government remains safe and secure because every customer has a unique User ID and password; only authorized USDA employees can access your information. It's safe, saves paper, saves a visit to your local USDA Service Center and provides electronic tracking of all your USDA transactions.

How to Sign Up for eAuth :

Begin the process by reviewing the information at the USDA Website <https://www.eauth.usda.gov>. This website describes the services available for Level 1 and Level 2 Accounts. Level 1 and Level 2 accounts require that you have an email address so you can register, create a customer profile, and be able to respond to a confirmation email. Level 1 Accounts do not require you to provide proof of your identity at a local USDA Service Center. Level 1 Accounts provide limited access to certain USDA Web site portals that require no authentication or authorization. A Level 2 Account does require a visit to a USDA Service Center with proof of your identity. That is because a Level 2 account allows you access to complete and submit documents and forms electronically.

LEVEL 1 ACCOUNT

STEP 1. To obtain a Level 1 Account, you may self-register online at www.eauth.egov.usda.gov.

Scroll down and click on the button that says "Sign Up for a Level 1 Account." Complete the brief customer profile.

STEP 2. You will receive a confirmation email, and you must respond to it within 7 days to activate your account.

LEVEL 2 ACCOUNT

STEP 1. To obtain a Level 2 Account, you must complete an 18 question customer profile and prove your identity by presenting state or federal photo ID at a local USDA Service Center. Go to www.eauth.egov.usda.gov, scroll down and click on "Sign Up for a Level 2 Account." Complete your customer profile, which includes designating your user ID and password created by you, contact information and email information. The data you enter in your customer profile must match the data on the document you use as identification at your local USDA Service Center. Example: Your first and last names and address must match the government-issued photo ID you plan to use to prove your identity. Identify proof can only be verified by one of the following documents: Current State Driver's License, State Photo ID, US Military ID, or United States Passport.

STEP 2. After completing your customer profile and submitting it online, you will receive a confirmation email, and you must respond to it within 7 days to activate your account.

STEP 3. Then you must complete the "Identify Proofing" process by visiting a local USDA Service Center. You will be required to present the eligible photo ID to an USDA employee who will verify your identity and enter the expiration date of the ID document used.

STEP 4. The USDA employee then will update your customer profile to a Level 2 Account. You will have access to USDA online applications and forms within one hour of your account being updated.

You now have access to complete and submit documents and forms electronically. USDA continues to update and make more forms and programs available electronically.

Dairy Producers Can Enroll to Protect Milk Production Margins

USDA Farm Service Agency (FSA) in Illinois announced that dairy producers can enroll for 2017 coverage in the Margin Protection Program for Dairy (MPP-Dairy) starting July 1, 2016. The voluntary program, established by the 2014 Farm Bill, provides financial assistance to participating dairy producers when the margin – the difference between the price of milk and feed costs – falls below the coverage level selected by the producer.

The MPP gives participating dairy producers the flexibility to select coverage levels best suited for their operation. Enrollment began July 1, 2016 and ends on September 30, 2016, for coverage in calendar year 2017. Participating farmers will remain in the program through 2018 and pay a minimum \$100 administrative fee each year. Producers have the option of selecting a different coverage level during open enrollment each year.

USDA has a web tool to help producers determine the level of coverage under the MPP that will provide them with the strongest safety net under a variety of conditions. The online resource, available at www.fsa.usda.gov/mpptool, allows dairy farmers to quickly and easily combine unique operation data and other key variables to calculate their coverage needs based on price projections. Producers can also review historical data or estimate future coverage needs, based on data projections. The secure site can be accessed via computer, Smartphone or tablet 24 hours a day, seven days a week.

To complete enrollment, producers must make coverage elections during the enrollment period and pay the annual \$100 administrative fee that provides basic catastrophic protection that covers 90 percent of milk production at a \$4 margin coverage level. For additional premiums, operations can protect 25 to 90 percent of production history with margin coverage levels from \$4.50 to \$8, in 50 cent increments. Once enrolled, dairy operations are required to participate through 2018 by making coverage elections each year. Producers can mail the appropriate form to the producer's administrative county FSA office, along with applicable fees without necessitating a trip to the local FSA office. If electing higher coverage for 2017, dairy producers can either pay the premium in full at the time of enrollment or pay 100 percent of the premium by Sept. 1, 2017. Premium fees may be paid directly to FSA or producers can work with their milk handlers to remit premiums on their behalf.

Also beginning July 1, 2016, FSA will begin accepting applications for intergenerational transfers, allowing program participants who added an adult child, grandchild or spouse to the operation during calendar year 2014 or 2015, or between Jan. 1 and June 30, 2016, to increase production history by the new cows bought into the operation by the new family members. For intergenerational transfers occurring on or after July 1, 2016, notification to FSA must be made within 60 days of purchasing the additional cows.

Dairy operations enrolling in the new program must meet conservation compliance provisions and cannot participate in the Livestock Gross Margin Dairy Insurance Program.

For more information, visit FSA online at www.fsa.usda.gov/dairy or stop by a local FSA office to learn more about the Margin Protection Program. To find a local FSA office in your area, visit <http://offices.usda.gov>.

USDA Offers New Loans for Portable Farm Storage and Handling Equipment

USDA's Farm Service Agency (FSA) will provide a new financing option to help farmers purchase portable storage and handling equipment through the Farm Storage Facility Loan (FSFL) program. The loans, which now include a smaller microloan option with lower down payments, are designed to help producers, including new, small and mid-sized producers, grow their businesses and markets. The FSFL program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The program also offers a new "microloan" option, which allows applicants seeking less than \$50,000 to qualify for a reduced down payment of five percent and no requirement to provide three years of production history, with CCC providing a loan for the remaining 95 percent of the net cost of the eligible FSFL equipment. Farms and ranches of all sizes are eligible. The microloan option is expected to be of particular benefit to smaller farms and ranches, and specialty crop producers who may not have access to commercial storage or on-farm storage after harvest. These producers can invest in equipment like conveyers, scales or refrigeration units and trucks that can store commodities before delivering them to markets. FSFL microloans can also be used to finance wash and pack equipment used post-harvest, before a commodity is placed in cold storage. Producers do not need to demonstrate the lack of commercial credit availability to apply for FSFL's.

For larger farming and ranching operations that may not be able to participate in the new "microloan" option, may apply for larger FSFL's with the maximum principal amount for each loan through FSFL of \$500,000.00. Participants are required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. Additional security is required for poured-cement open-bunker silos, renewable biomass facilities, cold storage facilities, hay barns and for all loans exceeding \$100,000.00. FSFL loan terms of 3, 5, 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department.

Earlier this year, FSA significantly expanded the list of commodities eligible for FSFL. Eligible commodities now include aquaculture; floriculture; fruits (including nuts) and vegetables; corn, grain sorghum, rice, oilseeds, oats, wheat, triticale, spelt, buckwheat, lentils, chickpeas, dry peas sugar, barley, rye, hay, honey, hops, maple sap, unprocessed meat and poultry, eggs, milk, cheese, butter, yogurt and renewable biomass.

Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. A FSFL must be approved before any site preparation or construction can begin. To learn more about Farm Storage Facility Loans, visit www.fsa.usda.gov/pricesupport or contact a local FSA county office. To find your local FSA county office, visit <http://offices.usda.gov>.

Marketing Assistance Available for 2016 Wheat, Other Crops

The 2014 Farm Bill authorized 2014-2018 crop year Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs).

MALs and LDPs provide financing and marketing assistance for 2016 crop wheat, as well as other commodities such as feed grains, soybeans and other oilseeds, pulse crops, 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.

Illinois FSA county offices are now accepting requests for 2016 crop wheat, oats, barley and honey MALs and LDPs for eligible commodities after harvest.

A producer who is eligible to obtain an MAL, but agrees to forgo the loan, may obtain an LDP if such a payment is available.

In Illinois Hard Red Winter (HRW) prices are nearing a range where LDPs may be applicable, so producers should become familiar with the process to access this assistance.

To be eligible for an MAL or an LDP, producers must have a beneficial interest in the commodity, in addition to other requirements. A producer retains beneficial interest when control of and title to the commodity is maintained. For an LDP, the producer must retain beneficial interest in the commodity from the time of planting through the date the producer filed [Form CCC-633EZ \(page 1\)](#) in the FSA County Office. For more information, producers should contact their local FSA county office or view the [LDP Fact Sheet](#).

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.

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.

FSAfarm+, FSA's Customer Self-Service Portal

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) has launched a new tool to provide farmers and ranchers with remote access to their personal farm information using their home computers. Farmers and ranchers can now view, print or export their personal farm data all without visiting an FSA county office.

The program, known as **FSAfarm+**, provides you with secure access to view your personal FSA data, such as base and yields, Conservation Reserve Program data, other conservation program acreage, Highly Erodible Land Conservation and Wetland Conservation status information, field boundaries, farm imagery, name and address details, contact information and membership interest and shares in the operation. This data will be available in real time, at no cost to the producer and allow operators and owners to export and print farm records, including maps. Producers also can electronically share their data with a crop insurance agent from their own personal computer.

Farm operators and owners first will need "Level 2 eAuthentication" to access the webportal. This level of security ensures that personal information is protected for each user. Level 2 access can be obtained by going to www.eauth.usda.gov, completing the required information and then visiting your local FSA office to finalize access.

For more information on **FSAfarm+**, the customer self-service portal, contact your local FSA office. To find your local FSA county office, click <http://offices.usda.gov>.

During National Pollinator Week, USDA Announced Key Measures to Improve Pollinator Health

USDA's Conservation Reserve Program Currently Provides 15 Million Acres of Healthy Forage for Pollinators, and New Partnership Will Ensure Additional High-Quality Habitat in the Future

During National Pollinator Week, USDA announced two initiatives in support of the [President's National Strategy to Promote the Health of Honeybees and Other Pollinators](#) , announced just over one year ago.

A review of USDA's most popular conservation program found that farmers and ranchers across the country are creating at least 15 million acres of healthy forage and habitat for pollinators, and the department has also entered into a new partnership with leading honey bee organizations that will help to ensure future conservation projects continue to provide benefits to these important species.

USDA signed a Memorandum of Understanding with two honey bee organizations, the American Honey Producers Association and the American Beekeeping Federation, to facilitate an ongoing partnership that will ensure USDA's conservation initiatives are as advantageous as possible to pollinators and that beekeepers understand how they can benefit from USDA's conservation and safety net programs.

FSA plays a critical role in the delivery of programs that provide a safety net for beekeepers who experience losses due to natural disasters, and the agency administers the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program, which provides assistance for the loss of honeybee colonies, in excess of normal mortality, due to Colony Collapse Disorder or other natural causes. These groups have helped to ensure that these safety net programs work well, and they have helped focus research to learn more about the impacts of USDA programs and make continuous improvements. This MOU creates a framework to ensure ongoing, meaningful information sharing to help beekeepers and honey bees into the future.

The National Strategy called for seven million acres of land to be enhanced or restored for pollinators. Since then, USDA has more than tripled the acreage enrolled in CRP's pollinator initiative, through which USDA helps to cover the cost of planting pollinator-friendly wildflowers, legumes and shrubs, and USDA has increased the limit on this initiative in response to landowner demand so that more acres can be enrolled in the future.

This [fact sheet](#) contains more information about USDA's work to keep pollinators buzzing and contributing to a diverse domestic and global food supply.

To learn more about FSA's conservation programs, visit www.fsa.usda.gov/conservation or contact a local FSA county office. To find your local FSA county office, visit <http://offices.usda.gov>.

FSA Offers Improved Program to Limit Losses on Forages

Reduced forage quality is now considered a production loss for weather disaster assistance coverage under the new buy-up provisions of the Farm Service Agency (FSA) Noninsured Crop Disaster Assistance Program (NAP).

This safety net is important for cattlemen who produce non-insurable forages for feeding livestock. Previously, FSA only considered a decrease in overall forage tonnage produced when determining if the producer suffered a compensable loss after a qualifying weather event. Under FSA's new NAP buy-up provisions, a decrease in forage quality – such as protein content – is also considered.

To receive coverage for the 2017 crop year, producers must enroll their eligible forage in NAP by September 30, 2016. Beginning, limited resource and targeted underserved farmers or ranchers are eligible for a waiver of the NAP service fee and a 50 percent premium reduction in buy-up provisions.

For more information on NAP, visit www.fsa.usda.gov/nap.

Double-Cropping

Each year, State FSA Committees review and approve or disapprove County FSA 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 Illinois 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.

Producers are Encouraged to Report Prevented Planting and Failed Acres

USDA Farm Service Agency (FSA) reminds producers to report prevented planting and failed acres in order to establish or retain FSA program eligibility for some programs.

Producers should report crop acreage they intended to plant, but due to natural disaster, were prevented from planting. Prevented planting acreage must be reported on form CCC-576, Notice of Loss, no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA).

Contact your local FSA office for a list of final planting dates by crop.

If a producer is unable to report the prevented planting acreage within the 15 calendar days following the final planting date, a late-filed report can be submitted. Late-filed reports will only be accepted if FSA conducts a farm visit to assess the eligible disaster condition that prevented the crop from being planted. A measurement service fee will be charged.

Additionally, producers with failed acres should also use form CCC-576, Notice of Loss, to report failed acres. For failed acreage credit, producers must report the failed acreage before the crop acreage is destroyed and before disposition of the crop.

For the Non-Insured Crop Disaster Assistance Program (NAP), producers of hand-harvested crops must notify FSA of damage or loss through the administrative County Office within 72 hours of the date of damage or loss first becomes apparent. This notification can be provided by filing a CCC-576, email, fax or phone. Producers who notify the County Office by any method other than by filing the CCC-576 are still required to file a CCC-576, Notice of Loss, within the required 15 calendar days.

For all losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP), producers must file a Notice of Loss within 15 days of the occurrence of the disaster or when losses become apparent. Producers must timely file a Notice of Loss for failed acres on all crops including grasses.

July Interest Rates and Important Dates to Remember

Selected Interest Rates for July 2016	
90-Day Treasury Bill	.250%
Farm Operating Loans — Direct	2.25%
Farm Ownership Loans — Direct	3.50%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	3.25%
Farm Storage Facility Loans (3 years)	1.000%
Farm Storage Facility Loans (5 years)	1.250%
Farm Storage Facility Loans (7 years)	1.50%
Farm Storage Facility Loans (10 years)	1.750%
Farm Storage Facility Loans (12 years)	1.875%
Commodity Loans 1996-Present	1.625%

Dates to Remember	
August 1	Deadline to enroll farms in 2016 ARC/PLC
August 1	Last day to request a 2016 reconstitution or transfer
August 1	Final date for COC Election Nomination forms to be submitted to County Offices
Sept. 1	NAP closing dates for 2017 Value loss crops: Christmas trees, Aquaculture, Floriculture, <u>Ginseng</u> root, Mushrooms, Ornamental Nursery, <u>Turfgrass</u> sod
Sept. 5	Labor Day Holiday - FSA Offices closed
Sept. 30	Final date to enroll in 2017 Margin Protection Program (MPP-dairy)
Sept. 30	NAP sales closing date for 2017 Forage (mechanically harvested and/or grazed), Alfalfa, Clover, Mixed Forage, Other Perennial Forages, and Grasses, Barley, and Rye
Ongoing	FSFL applications
Ongoing	CRP sign up

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