

January 2018



Farm Service Agency **Electronic News Service**

NEWSLETTER

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Illinois FSA Newsletter

Illinois Farm Service Agency

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State Executive Director:
William J. Graff

A Message from the SED

As of November 1, 2017, farmers and ranchers with base acres in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) safety net program may enroll for the 2018 crop year at their local FSA office. Although the enrollment period will not end until August 1, 2018. I encourage you not to wait until things get busy for you this Spring. Stop by your local county office now and sign your contract(s).

I can remember as a child hearing "don't put off until tomorrow what can be done today" and now as an adult I know how true that statement is.

State Committee:

James Reed - Chairperson
Martin Barbre - Member
Melanie DeSutter - Member
Ron Moore - Member
Troy Uphoff - Member

Executive Officer:

Rick Graden

Administrative Officer:

Dan Puccetti

Division Chiefs:

Doug Bailey
John Gerhke
Randy Tillman

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

Since shares and ownership of a farm can change year-to-year, producers must enroll by signing a contract each program year.

The producers on a farm that are not enrolled for the 2018 enrollment period will not be eligible for financial assistance from the ARC or PLC programs for the 2018 crop should crop prices or farm revenues fall below the historical price or revenue benchmarks established by the program. **Producers who made their elections in previous years must still enroll during the 2018 enrollment period.**

The ARC and PLC 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>.

Sign-up Now To Recieve Text Notifications From Your Local County FSA Office

FSA State Office is informing farmers and ranchers they can now receive notifications from their local county offices through text messages on their cell phone.

Whether producers are in the field, on a tractor or even on horseback, this service enables FSA customers and stakeholders to receive notifications while on the go. Producers will receive text messages regarding important program deadlines, reporting requirements, outreach events and updates.

Producers can text **IL(and their local county name)** to FSANOW (372669) to subscribe to text message alerts. Standard text messaging rates apply. Contact your wireless carrier for details associated with your particular data plan. Participants may unsubscribe at any time.

Please contact your local County FSA office if you have questions regarding FSA's email news service or the new text message option.

Annual Review of Payment Eligibility for New Crop Year

All participants of FSA programs who request program benefits are required to submit a completed CCC-902 (Farming Operation Plan) and CCC-941 Average Gross Income (AGI) Certification and Consent to Disclosure of Tax Information to be considered for payment eligibility and payment limitation applicable for the program benefits.

Participants are not required to annually submit new CCC-902s for payment eligibility and payment limitation purposes unless a change in the farming operation occurs that may affect the determination of record. A valid CCC-902 filed by the participant is considered to be a continuous certification used for all payment eligibility and payment limitation determinations applicable for the program benefits requested.

Participants are responsible for ensuring that all CCC-902 and CCC-941 and related forms on file in the county office are correct at all times. Participants are required to timely notify the county office of any changes in the farming operation that may affect the determination of record by filing a new or updated CCC-902 as applicable.

Changes that may require a NEW determination include, but are not limited to, a change of:

- Shares of a contract, which may reflect:
 - A land lease from cash rent to share rent
 - A land lease from share rent to cash rent (subject to the cash rent tenant rule)
 - A modification of a variable/fixed bushel-rent arrangement
- The size of the producer's farming operation by the addition or reduction of cropland that may affect the application of a cropland factor
- The structure of the farming operation, including any change to a member's share
- The contribution of farm inputs of capital, land, equipment, active personal labor, and/or active personal management
- Farming interests not previously disclosed on CCC-902 including the farming interests of a spouse or minor child
- Financial status that may affect the 3-year average for the determination of average AGI or other changes that affects eligibility under the average adjusted gross income limitations.

Participants are encouraged to file or review these forms within the deadlines established for each applicable program for which program benefits are being requested.

Power of Attorney

For those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., FSA has a power of attorney form available that enables you to designate another person to conduct your business at the office. If you are interested, please contact our office or any Farm Service Agency office near you for more information. Power of Attorney provisions do not apply to farm loan programs.

CRP Participants Must Maintain Approved Cover on Acreages Enrolled in CRP and Farm Programs

Conservation Reserve Program (CRP) participants are responsible for ensuring adequate, approved vegetative and practice cover is maintained to control erosion throughout the life of the contract after the practice has been established. Participants must also control undesirable

vegetation, weeds (including noxious weeds), insects and rodents that may pose a threat to existing cover or adversely impact other landowners in the area.

All CRP maintenance activities, such as mowing, burning, disking and spraying, must be conducted outside the primary nesting or brood rearing season for wildlife, which for Illinois is April 15 through August 1. However, spot treatment of the acreage may be allowed during the primary nesting or brood rearing season if, left untreated, the weeds, insects or undesirable species would adversely impact the approved cover. In this instance, spot treatment is limited to the affected areas in the field and requires County Committee approval prior to beginning the spot treatment. The County Committee will consult with NRCS to determine if such activities are needed to maintain the approved cover.

Annual mowing of CRP for generic weed control, or for cosmetic purposes, is prohibited at all times.

Report Non-Insured Crop Disaster Assistance Program (NAP) Losses

The Non-Insured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occur due to natural disasters including excessive wind and qualifying drought (includes native grass for grazing).

Eligible producers must have purchased NAP coverage for 2018 crops. A notice of loss must be filed the earlier of 15 days of the occurrence of the disaster or when losses become apparent or 15 days of the final harvest date.

Eligible crops must be commercially produced agricultural commodities for which crop insurance is not available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

For more information on NAP, contact your local FSA office or visit www.fsa.usda.gov/nap.

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.

Farm Loan Graduation Reminder

FSA Direct Loans are considered a temporary source of credit that is available to producers who do not meet normal underwriting criteria for commercial banks.

FSA periodically conducts Direct Loan graduation reviews to determine a borrower's ability to graduate to commercial credit. If the borrower's financial condition has improved to a point where they can refinance their debt with commercial credit, they will be asked to obtain other financing and partially or fully pay off their FSA debt.

By the end of a producer's operating cycle, the Agency will send a letter requesting a current balance sheet, actual financial performance and a projected farm budget. The borrower has 30 days to return the required financial documents. This information will be used to evaluate the borrower's potential for refinancing to commercial credit.

If a borrower meets local underwriting criteria, FSA will send the borrower's name, loan type, balance sheet and projected cash flow to commercial lenders. The borrower will be notified when loan information is sent to local lenders.

If any lenders are interested in refinancing the borrower's loan, FSA will send the borrower a letter with a list of lenders that are interested in refinancing the loan. The borrower must contact the lenders and complete an application for commercial credit within 30 calendar days.

If a commercial lender rejects the borrower, the borrower must obtain written evidence that specifies the reasons for rejection and submit to their local FSA farm loan office.

If a borrower fails to provide the requested financial information or to graduate, FSA will notify the borrower of noncompliance, FSA's intent to accelerate the loan, and appeal rights.

Farm Storage Facility Loans

FSA's Farm Storage Facility Loan (FSFL) program provides low-interest financing to producers to build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

The low-interest funds can be used to build or upgrade permanent facilities to store commodities. Eligible commodities include corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds harvested as whole grain, pulse crops (lentils, chickpeas and dry peas), hay, honey, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple sap, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Qualified facilities include grain bins, hay barns and cold storage facilities for eligible commodities.

Loans up to \$100,000 can be secured by a promissory note/security agreement. Loans exceeding \$100,000 require additional security.

Producers do not need to demonstrate the lack of commercial credit availability to apply. The loans are designed to assist a diverse range of farming operations, including small and mid-sized

businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

To learn more about the FSA Farm Storage Facility Loan, visit www.fsa.usda.gov/pricesupport or contact your local FSA county office. To find your local FSA county office, visit <http://offices.usda.gov>.

Marketing Assistance Available for 2017

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

MALs provide financing and marketing assistance for 2017 crop wheat, 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.

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.

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](#).

Deadlines Approaching for FSA Livestock Disaster Assistance Programs

Livestock producers are reminded that deadlines for the Livestock Indemnity Program (LIP) are quickly approaching.

Producers with eligible livestock losses must submit a LIP application for payment by March 31, 2018. 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.

For 2017, eligible LIP losses must occur on or after Jan. 1, 2017, and no later than 60 calendar days from the ending date of the applicable adverse weather event or attack. 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 90 calendar days after the end of the calendar year in which the eligible loss condition occurred.

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

Please contact your local FSA office to apply for LIP benefits.

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.

The Census of Agriculture is a Producer's Voice, Future, and Opportunity

In December farmers and ranchers across the nation received the 2017 Census of Agriculture. Producers can mail in their completed census form, or respond online via the improved web questionnaire. The online questionnaire has been revised extensively to make it more convenient for producers.

Conducted once every five years, the census of agriculture is a complete count of all U.S. farms, ranches, and those who operate them; it is the only source of uniform, comprehensive, and impartial agriculture data for every state and county in the nation.

Farmers and ranchers, trade associations, government, extension educators, researchers, and many others rely on census of agriculture data when making decisions that shape American agriculture – from creating and funding farm programs to boosting services for communities and the industry. The census of agriculture is a producer's voice, future, and opportunity.

For more information about the 2017 Census of Agriculture, visit www.agcensus.usda.gov or call (800) 727-9540.

January Interest Rates and Important Dates to Remember

Selected Interest Rates for January 2018		Dates to Remember	
Farm Operating Loans — Direct	3.000%	Jan. 15	Martin Luther King Birthday Holiday – FSA Offices Closed
Farm Ownership Loans — Direct	3.750%	Jan. 15	Acreage reporting for apples, asparagus, blueberries, <u>caneberries</u> , cherries, grapes, nectarines, peaches, pears, plums, strawberries and other perennial crops
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.500%		
Emergency Loans	3.750%		
Farm Storage Facility Loans (3 years)	1.875%	Feb. 19	George Washington's Birthday – FSA Offices closed
Farm Storage Facility Loans (5 years)	2.125%	Continuous	Sign-up for FSA text messages from your local county office
Farm Storage Facility Loans (7 years)	2.250%	continuous	Update Your Farm Records
Farm Storage Facility Loans (10 years)	2.375%	Continuous	Farm Storage Facility Loan applications
Farm Storage Facility Loans (12 years)	2.375%		
Commodity Loans	2.625%		

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).