

August 2019



Farm Service Agency **Electronic News Service**

# NEWSLETTER

*GovDelivery*

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## Illinois FSA Newsletter

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### Illinois Farm Service Agency

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**State Executive Director:**  
William J. Graff

**State Committee:**  
James Reed-Chairperson  
Melanie DeSutter-Member  
Kirk Liefer-Member

### USDA Opens Signup for Market Facilitation Program

Signup is open for the Market Facilitation Program (MFP), a U.S. Department of Agriculture (USDA) program to assist farmers who continue to suffer from damages because of unjustified trade retaliation from foreign nations. Through MFP, USDA will provide up to \$14.5 billion in direct payments to impacted producers, part of a broader trade relief package announced in late July. The sign-up period runs through Dec. 6.

MFP payments will be made to producers of certain non-specialty and specialty crops as well as dairy and hog producers.

#### Non-Specialty Crops

George Obernagel III-Member  
Troy Uphoff-Member

**Administrative Officer:**  
Dan Puccetti

**Division Chiefs:**  
Vicki Donaldson  
John Gehrke  
Natalie Prince  
Randy Tillman

To find contact information for  
your local office go to  
[www.fsa.usda.gov/il](http://www.fsa.usda.gov/il)

MFP payments will be made to producers of alfalfa hay, barley, canola, corn, crambe, dried beans, dry peas, extra-long staple cotton, flaxseed, lentils, long grain and medium grain rice, millet, mustard seed, oats, peanuts, rapeseed, rye, safflower, sesame seed, small and large chickpeas, sorghum, soybeans, sunflower seed, temperate japonica rice, triticale, upland cotton, and wheat.

MFP assistance for 2019 crops is based on a single county payment rate multiplied by a farm's total plantings to the MFP-eligible crops in aggregate in 2019. Those per acre payments are not dependent on which of those crops are planted in 2019. A producer's total payment-eligible plantings cannot exceed total 2018 plantings, unless excepted acres apply. [View payment rates by county.](#)

### **Dairy and Hogs**

Dairy producers who were in business as of June 1, 2019, will receive a per hundredweight payment on production history, and hog producers will receive a payment based on the number of live hogs owned on a day selected by the producer between April 1 and May 15, 2019.

### **Specialty Crops**

MFP payments will also be made to producers of almonds, cranberries, cultivated ginseng, fresh grapes, fresh sweet cherries, hazelnuts, macadamia nuts, pecans, pistachios, and walnuts. Each specialty crop will receive a payment based on 2019 acres of fruit or nut bearing plants, or in the case of ginseng, based on harvested acres in 2019.

### **More Information**

Payments will be made in up to three tranches, with the second and third tranches evaluated as market conditions and trade opportunities dictate. If conditions warrant, the second and third tranches will be made in November and early January.

MFP payments are limited to a combined \$250,000 for non-specialty crops per person or legal entity. MFP payments are also limited to a combined \$250,000 for dairy and hog producers and a combined \$250,000 for specialty crop producers. However, no applicant can receive more than \$500,000. Eligible applicants must also have an average adjusted gross income (AGI) for tax years 2015, 2016, and 2017 of less than \$900,000, or 75 percent of the person's or legal entity's average AGI for those tax years must have been derived from farming and ranching. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.

More information can be found on [farmers.gov/mfp](https://farmers.gov/mfp), including payment information and a program application.

Direct farm loans, which include microloans and emergency loans, are financed and serviced by FSA, while guaranteed farm loans are financed and serviced by commercial lenders. For guaranteed loans, FSA provides a guarantee against possible financial loss of principal and interest.

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## USDA Designates 102 Illinois Counties as Primary Natural Disaster Areas

Agriculture Secretary Sonny Perdue designated 102 Illinois counties as primary natural disaster areas. Producers who suffered losses due to excessive moisture, flooding and flash flooding that has occurred since Sept. 1, 2018, may be eligible for U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) emergency loans.

The Illinois counties with the primary natural disaster designation include Adams, Alexander, Bond, Boone, Brown, Bureau, Calhoun, Carroll, Cass, Champaign, Christian, Clark, Clay, Clinton, Coles, Cook, Crawford, Cumberland, DeKalb, DeWitt, Douglas, DuPage, Edgar, Edwards, Effingham, Fayette, Ford, Franklin, Fulton, Gallatin, Greene, Grundy, Hamilton, Hancock, Hardin, Henderson, Henry, Iroquois, Jackson, Jasper, Jefferson, Jersey, Jo Daviess, Johnson, Kane, Kankakee, Kendall, Knox, Lake, LaSalle, Lawrence, Lee, Livingston, Logan, McDonough, McHenry, McLean, Macon, Macoupin, Madison, Marion, Marshall, Mason, Massac, Menard, Mercer, Monroe, Montgomery, Morgan, Moultrie, Ogle, Peoria, Perry, Piatt, Pike, Pope, Pulaski, Putnam, Randolph, Richland, Rock Island, St. Clair, Saline, Sangamon, Schuyler, Scott, Shelby, Stark, Stephenson, Tazewell, Union, Vermilion, Wabash, Warren, Washington, Wayne, White, Whiteside, Will, Williamson, Winnebago, and Woodford.

This natural disaster designation allows FSA to extend much-needed emergency credit to producers recovering from natural disasters. Emergency loans can be used to meet various recovery needs including the replacement of essential items such as equipment or livestock, reorganization of a farming operation or the refinance of certain debts.

Producers in the contiguous counties of Benton, Gibson, Knox, Lake, Newton, Posey, Sullivan, Vermillion

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## Farm Loans

Direct farm loans, which include microloans and emergency loans, are financed and serviced by FSA, while guaranteed farm loans are financed and serviced by commercial lenders. For guaranteed loans, FSA provides a guarantee against possible financial loss of principal and interest.

For more information on FSA farm loans, visit [www.fsa.usda.gov](https://www.fsa.usda.gov) or contact your [local USDA service center](#).

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## 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.

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## Marketing Assistance Available for 2019 Crops

MALs provide financing and marketing assistance for 2019 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](#).

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## Maintaining the Quality of Farm-Stored Loan Grain

Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

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## Unauthorized Disposition of Grain

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.

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## 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](http://www.fsa.usda.gov/pricesupport) or contact your local FSA county office. To find your local FSA county office, visit <http://offices.usda.gov>.

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## Storage and Handling Trucks Eligible for Farm Storage Facility Loans

Farm Storage Facility Loans (FSFL) provide low-interest financing so producers can build or upgrade facilities to store commodities. Some storage and handling trucks are eligible for the FSFL. These include:

- **Cold Storage Trucks**-A van or truck designed to carry perishable freight at specific temperatures. Cold storage trucks can be ice-cooled or equipped with any variety of mechanical refrigeration systems.
- **Flatbed Trucks**-Truck with an open body in the form of a platform with no side walls for easy loading and unloading. These trucks can be categorized into different sizes which range from light, medium, or heavy duty, compact or full-size, or short and expandable beds.
- **Grain Trucks**-A piece of farm equipment specially made to accommodate grain products and are traditionally truck chassis units with a mounted grain “dump” body where grain commodities are transported from a field to either a grain elevator or a storage bin.
- **Storage Trucks with a Chassis Unit**-Commonly referred to as a box truck, box van or straight truck, is a truck with a cargo body mounted on the same chassis with the engine and cab.

To be eligible for FSFL, the storage and handling truck must be less than 15 years old and have a maximum of four axles with a gross weight rating of 60,000 pounds or less. Pick-up trucks, semi-trucks, dump trucks, and simple insulated and ventilated vans are ineligible for FSFL.

FSFL for storage and handling trucks must be \$100,000 or less. FSFL-financed storage and handling trucks must be used for the purpose for which they were acquired for the entire FSFL term.

Eligible commodities include grains, oilseeds, pulse crops, hay, honey, renewable biomass commodities, fruits and vegetables, floriculture, hops, maple sap, milk, cheese, yogurt, butter, eggs, meat/poultry (unprocessed), rye and aquaculture.

For more information or to apply for a FSFL, contact your local [FSA Service Center](#).

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## ASKFSA

Are you looking for answers to your FSA questions? Then ASK FSA at [askfsa.custhelp.com](https://askfsa.custhelp.com).

AskFSA is an online resource that helps you easily find information and answers to your FSA questions no matter where you are or what device you use. It is for ALL customers, including underserved farmers and ranchers who wish to be enrolled in FSA loans, farm, and conservation programs.

### Through AskFSA you can:

- Access our knowledge base 24/7
- Receive answers to your questions faster
- Submit a question and receive a timely response from an FSA expert
- Get notifications when answers important to you and your farming operation are updated

Customize your account settings and view responses at any time.

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## Farm Safety

Flowing grain in a storage bin or gravity-flow wagon is like quicksand — it can kill quickly. It takes less than five seconds for a person caught in flowing grain to be trapped.

The mechanical operation of grain handling equipment also presents a real danger. Augers, power take offs, and other moving parts can grab people or clothing.

These hazards, along with pinch points and missing shields, are dangerous enough for adults; not to mention children. It is always advisable to keep children a safe distance from operating farm equipment. Always use extra caution when backing or maneuvering farm machinery. Ensure everyone is visibly clear and accounted for before machinery is engaged.

FSA wants all farmers to have a productive crop year and that begins with putting safety first.

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## August Interest Rates and Important Dates to Remember

<b>Selected Interest Rates for August 2019</b>	
Farm Operating Loans — Direct	2.875%
Farm Ownership Loans — Direct	3.625%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency Loans	3.750%
Farm Storage Facility Loans (3 years)	1.750%
Farm Storage Facility Loans (5 years)	1.750%
Farm Storage Facility Loans (7 years)	1.875%
Farm Storage Facility Loans (10 years)	2.000%
Farm Storage Facility Loans (12 years)	2.125%
Commodity Loans	3.000%



<b>Dates to Remember</b>	
June 3 thru August 23, 2019	CRP Signup 52
June 17 thru September 20, 2019	New Dairy Margin Coverage Signup
continuous	2018 ARC/PLC Farm Program enrollment
July 29 – Dec. 6	Sign up for Market Facilitation Program
continuous	Sign-up for FSA text messages from your local county office
continuous	Update Your Farm Records
Ongoing	Farm Storage Facility Loans Sign Up
Ongoing	Marketing Assistance Loans Sign Up

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).