

November 2016



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Louisiana FSA Newsletter

Louisiana Farm Service Agency

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State Executive Director:
Craig A. McCain

**Next State Committee
Meeting:** To be
determined

Please contact your local
FSA Office for questions
specific to your operation
or parish.

**USDA Service Centers
will be closed on Friday,
Nov. 11 in observance of
Veteran's Day and
Thursday, Nov. 24 in
observance of
Thanksgiving Day**

Message from Craig A. McCain, FSA State Executive Director

From the very beginning farming has been a challenging, but rewarding way of life. Recognizing that history clearly verifies the important contributions of agriculture to our Nation and the World, these contributions go beyond the obvious need for food and fiber, but rather more deeply into the development and prosperity of the United States. Like the generations that have gone before us, Louisiana's agricultural producers have experienced both the best and the worst of times. 2016 has certainly reminded us of the challenges and unpredictable nature of our weather and conversely, our chosen profession. We have experienced record flooding and now today, just over 60 days after the most recent flooding event began to subside, much of the State is in a moderate stage of drought. I guess this proves the old adage, "Don't like the weather in Louisiana, just wait a minute, it'll change!"

While these perils are certainly not new to agriculture, they are very difficult for producers of crops or livestock to negotiate. This is especially true in a depressed economic environment. Declining commodity prices over the past four or five years have resulted in prices that challenge

even the most productive and prudent farm managers. The Farm Service Agency stands ready to assist producers with risk mitigation and with their needs for operating capital. For more information please contact your local FSA Office. Contact information is available at www.usda.fsa.gov.

USDA Announces Enrollment Period for Safety Net Coverage in 2017

As of Nov. 1, 2016, producers on farms with base acres under the safety net programs established by the 2014 Farm Bill, known as the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs, were able to begin visiting FSA county offices to sign contracts and enroll for the 2017 crop year. The enrollment period will continue until Aug. 1, 2017.

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

If a farm is not enrolled during the 2017 enrollment period, the producers on that farm will not be eligible for financial assistance from the ARC or PLC programs for the 2017 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 2015 must still enroll during the 2017 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>.

FSA Urges Farmers and Ranchers to Vote in County Committee Elections

USDA encourages farmers and ranchers to make their voices heard by voting in the upcoming Farm Service Agency (FSA) County Committee elections. On Monday, Nov. 7, 2016, USDA began mailing ballots to eligible farmers and ranchers across the country. Producers must return ballots to their local FSA offices by Dec. 5, 2016, to ensure that their vote is counted.

Nearly 7,700 FSA County Committee members serve FSA offices nationwide. Each committee has three to 11 elected members who serve three-year terms of office. One-third of county committee seats are up for election each year. County committee members apply their knowledge and judgment to help FSA make important decisions on its commodity support programs, conservation programs, indemnity and disaster programs, and emergency programs and eligibility.

Producers must participate or cooperate in an FSA program to be eligible to vote in the county committee election. Farmers and ranchers who supervise and conduct the farming operations of an entire farm, but are not of legal voting age, also may be eligible to vote.

Farmers and ranchers will begin receiving their ballots the week of Nov. 7. Ballots include the names of candidates running for the local committee election. FSA has modified the ballot, making it easily identifiable and less likely to be overlooked. Voters in local administrative area holding elections who do not receive ballots in the coming week can pick one up at their local FSA office. Ballots returned by mail must be postmarked no later than Dec. 5, 2016. Newly elected committee members will take office Jan. 1, 2017.

For more information, visit the FSA website at www.fsa.usda.gov/elections or contact your local FSA County Office.

USDA Expands Working-Lands Conservation Opportunities through CRP

USDA will offer a new Conservation Reserve Program (CRP) Grasslands practice specifically tailored for small-scale livestock grazing operations. Small livestock operations with 100 or fewer head of grazing dairy cows (or the equivalent) can submit applications to enroll up to 200 acres of grasslands per farm. USDA's goal is to enroll up to 200,000 acres.

The current CRP Grassland ranking period will end on Nov. 10, 2016. To date, the USDA's Farm Service Agency (FSA) has received nearly 5,000 offers covering over 1 million acres for this CRP working-lands conservation program. These offers are predominantly larger acreage rangeland in Western states.

The new practice for small-scale livestock grazers aims, in part, to encourage greater diversity geographically and in types of livestock operation. This opportunity will close on Dec. 16, 2016. Offers selected this fiscal year will be enrolled into CRP Grasslands beginning Oct. 1, 2017.

Participants in CRP Grasslands establish or maintain long-term, resource-conserving grasses and other plant species to control soil erosion, improve water quality and develop wildlife habitat on marginally productive agricultural lands. CRP Grasslands participants can use the land for livestock production (e.g. grazing or producing hay), while following their conservation and grazing plans in order to maintain the cover. A goal of CRP Grasslands is to minimize conversion of grasslands either to row crops or to non-agricultural uses. Participants can receive annual payments of up to 75 percent of the grazing value of the land and up to 50 percent to fund cover or practices like cross-fencing to support rotational grazing or improving pasture cover to benefit pollinators or other wildlife.

USDA will select offers for enrollment based on six ranking factors: (1) current and future use, (2) new farmer/rancher or underserved producer involvement, (3) maximum grassland preservation, (4) vegetative cover, (5) environmental factors and (6) pollinator habitat. Offers for the second ranking period also will be considered from producers who submitted offers for the first ranking period but were not accepted, as well as from new offers submitted through Dec. 16.

Small livestock operations or other farming and ranching operations interested in participating in CRP Grasslands should contact their local FSA office. To find your local FSA office, visit <http://offices.usda.gov>. To learn more about FSA's conservation programs, visit www.fsa.usda.gov/conservation.

Margin Protection Program for Dairy Enrollment Deadline is Dec. 16

The deadline for dairy producers to enroll in the Margin Protection Program (MPP) for Dairy is Dec. 16, 2016. This voluntary dairy safety net 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. A USDA web tool, available at www.fsa.usda.gov/mpptool, allows dairy producers to calculate levels of coverage available from MPP based on price projections.

Farm Storage Facility Loans

FSA's Farm Storage Facility Loan (FSFL) program provides low-interest financing to producers to build or upgrade storage facilities.

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 \$50,000 can be secured by a promissory note/security agreement and some loans between \$50,000 and \$100,000 will no longer 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>.

Preauthorized Debit Available for Farm Loan Borrowers

USDA Farm Service Agency (FSA) has implemented pre-authorized debit (PAD) for Farm Loan Program (FLP) borrowers. PAD is a voluntary and alternative method for making weekly, bi-weekly, monthly, quarterly, semi-annual or annual payments on loans.

PAD payments are pre-authorized transactions that allow the National Financial and Accounting Operations Center (NFAOC) to electronically collect loan payments from a customer's account at a financial institution.

PAD may be useful for borrowers who use nonfarm income from regular wages or salary to make payments on loans or adjustment offers or for payments from seasonal produce stands. PAD can only be established for future payments.

To request PAD, customers, along with their financial institution, must fill out form RD 3550-28. This form has no expiration date, but a separate form RD 3550-28 must be completed for each loan to which payments are to be applied. A fillable form can be accessed on the USDA Rural Development (RD) website at <http://www.rd.usda.gov/publications/regulations-guidelines>. Click forms and search for "Form 3550-28."

If you have a "filter" on the account at your financial institution, you will need to provide the financial institution with the following information: Origination ID: 1220040804, Agency Name: USDA RD DCFO.

PAD is offered by FSA at no cost. Check with your financial institution to discuss any potential cost. Pre-authorized debit has no expiration date, but you can cancel at any time by submitting a written request to your local FSA office. If a preauthorized debit agreement receives three payment rejections within a three month period, the preauthorized debt agreement will be cancelled by FSA. The payment amount and due date of your loan is not affected by a cancellation of preauthorized debit. You are responsible to ensure your full payment is made by the due date.

For more information about PAD, contact your local FSA office. To find a local FSA office, visit <http://offices.usda.gov>.

Disaster Set-Aside (DSA) Program

FSA borrowers with farms located in designated primary or contiguous disaster areas who are unable to make their scheduled FSA loan payments should consider the Disaster Set-Aside (DSA) program.

DSA is available to producers who suffered losses as a result of a natural disaster and is intended to relieve immediate and temporary financial stress. FSA is authorized to consider setting aside the portion of a payment/s needed for the operation to continue on a viable scale.

Borrowers must have at least two years left on the term of their loan in order to qualify.

Borrowers have eight months from the date of the disaster designation to submit a complete application. The application must include a written request for DSA signed by all parties liable for the debt along with production records and financial history for the operating year in which the disaster occurred. FSA may request additional information from the borrower in order to determine eligibility.

All farm loans must be current or less than 90 days past due at the time the DSA application is complete. Borrowers may not set aside more than one installment on each loan.

The amount set-aside, including interest accrued on the principal portion of the set-aside, is due on or before the final due date of the loan.

For more information, contact your local FSA farm loan office.

USDA Climate Hub Building Block: Nitrogen Stewardship

USDA Climate Hubs are working with farmers, livestock producers, pasture and forest landowners to effectively partner in ways to help mitigate and adapt to a changing climate. Next in our series on the 10 Building Blocks for Climate Smart Agriculture and Forestry is Nitrogen Stewardship.

Within the United States, agriculture is a significant source of nitrous oxide (N₂O) emissions—a greenhouse gas (GHG) that has a global warming potential 250 times more than carbon dioxide (CO₂). In 2013, cropland agriculture released approximately 136 MMTCO₂e (Million Metric Tons of Carbon Dioxide-Equivalent) in direct N₂O emissions. More than half of these N₂O emissions are from synthetic fertilizers and organic amendments. Improved nitrogen management practices can reduce emissions from these sources.

The primary practice used in the Nitrogen Stewardship Building Block to reduce GHG emissions involves the 4Rs: right source, right rate, right time, and right place. The 4Rs come from the NRCS Conservation Practice Standard (CPS) Nutrient Management (590). To read more about Nitrogen Stewardship click the following link or copy and paste the link into your web browser: http://www.usda.gov/oce/climate_change/building_blocks/2_NitrogenStewardship.pdf

For more information about the USDA Climate Hubs click here: <http://www.climatehubs.oce.usda.gov/>.

AskFSA

Are you looking for answers to your FSA questions? Then ASK FSA at 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

Selected Interest Rates for November 2016

- 90-Day Treasury Bill — .375%
- Farm Operating Loans — Direct 2.125%
- Farm Ownership Loans — Direct 3.25%
- Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher — 1.50%
- Emergency Loans — 3.125%
- Farm Storage Facility Loans (7 years) — 1.500%
- Farm Storage Facility Loans (10 years) — 1.750%
- Farm Storage Facility Loans (12 years) — 1.750%
- Sugar Storage Facility Loans (15 year term) — 1.875%
- Commodity Loans — 1.625%.

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).