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Farm Service Agency **Electronic News Service**

NEWSLETTER

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Louisiana FSA Newsletter

Louisiana Farm Service Agency

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Message from Craig A. McCain, FSA State Executive Director

As producers across the State finish planting soybeans, harvest the first cutting of hay, and many crucial activities on farms and in ag based businesses, FSA is working hard to prepare for a difficult Summer. We anticipate the implementation of the 2018 ARCPLC Seed Cotton program and several decisions which must be completed by owners, operators or tenants on farms which currently have generic base acres. This process will require a considerable amount of work to be completed during mid to late summer. In addition, FSA will implement the recently announced Wildfires and Hurricanes Indemnity Program (WHIP). Any crop, tree, bush, or vine, located in a county identified by a Presidential declaration as a primary county or parish or by a Secretarial designation, is eligible for 2017 WHIP if loss was caused by a 2017 hurricane. Additional information concerning these programs will be forthcoming. Producers across the State are strongly encouraged to complete acreage certification or acreage reporting as soon as possible. Completion of acreage reporting will allow both producers

Next State Committee Meeting:

To be determined

and FSA staff to focus on Seed Cotton and WHIP activities once these programs are implemented, which will allow FSA to provide better and faster service to you!

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

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

One last thought! A great way to stay informed about USDA news is to subscribe to text alerts through your local FSA office. Electronic communications has become commonplace in today's society, including on the farm. Text alerts will allow producers to receive a limited number of short general reminders about such things as FSA program deadlines. We realize that your time is valuable and we want to assist you in being as informed and as efficient as you can be. If interested in text alerts, please ask your local FSA staff for more information.

Thanks for all that you do each day to serve our State, our Country and the world! As Secretary Perdue reminds us, "Do Right and Feed Everyone"!

Upcoming Important Dates

- **May 28** - USDA Service Centers will be closed in observance of Memorial Day
- **May 31** – Final availability date for 2017 Marketing Assistance Loans & LDPs for rice, upland cotton, soybeans, corn & sorghum
- **June 1** - Deadline for MPP-Dairy re-enrollment
- **June 15** - FSA County Committee Election nomination period begins
- **July 16** - Acreage reporting deadline for most spring-seeded crops
- **Aug. 1** – final day to enroll 2018 ARC/PLC contracts
- **Aug. 1** - final date to request a reconstitution-combining or dividing farms or tracts of land based on farming operation
- **Aug. 1** - FSA County Committee Election nomination period ends

Secretary Perdue Names FSA Administrator

U.S. Secretary of Agriculture Sonny Perdue announced the appointment of Richard Fordyce to serve as Administrator of the U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA). In his role, Fordyce will provide leadership for FSA and its mission to support agricultural production across America through a network of over 2,100 county and 50 state offices.

Richard Fordyce, a fourth-generation farmer, most recently served as State Executive Director for FSA in Missouri. Prior to his appointment by the Trump Administration, Fordyce served as the director of the Missouri Department of Agriculture from 2013 to 2017. In 2015, Fordyce was awarded the Missouri Farm Bureau Distinguished Service Award and the Agricultural Leaders of Tomorrow Alumnus of the Year. He and his wife, Renee, have two children and grow soybeans, corn and beef cattle on the family farm.

For more information about the Farm Service Agency, please visit www.fsa.usda.gov.

Dairy Farmers Have Until June 1 to Apply for Improved Safety Net under Margin Protection Program

Many Participants Will Receive Payments Beginning in Early June

The U.S. Department of Agriculture (USDA) reminds dairy farmers of the June 1 deadline to enroll in the improved [Margin Protection Program for Dairy \(MPP-Dairy\)](#). Many producers will see payments in early June, depending on the coverage they elect.

The program protects dairy producers by paying them based on the difference between the national all-milk price and the national average feed cost. The 2018 Bipartisan Budget Act made several changes to the safety net program to provide better protections for dairy producers from shifting milk and feed prices.

Updates include:

- Calculation of the margin period is monthly rather than bi-monthly.
- Covered production is increased to 5 million pounds on the Tier 1 premium schedule, and premium rates for Tier 1 are substantially lowered.
- An exemption from paying an administrative fee for limited resource, beginning, veteran, and socially disadvantaged producers. Dairy operators enrolled in the previous 2018 enrollment period that qualify for this exemption under the new provisions may request a refund.

Signup for 2018 will be retroactive to Jan. 1, of this year. Margins for February and March 2018 have already been announced and payments for those months, along with potential payments for April, will be issued in June based on producer elections.

All dairy operations must make new coverage elections for 2018, even if the operation was enrolled during the previous 2018 signup period. Dairy producers should use the [MPP-Dairy Decision Tool](#) for support in making related enrollment decisions.

All dairy operations interested in MPP-Dairy coverage must sign up during the enrollment period and submit Form CCC-782 to FSA to enroll. Dairy operations may still “opt out” by not submitting a form.

For more information, visit www.fsa.usda.gov/dairy. Contact your local FSA county office to enroll in the program. To find your local FSA county office, visit <https://www.farmers.gov/>.

Perdue Announces Additional Hurricane and Wildfire Recovery Details

Under the direction of President Donald J. Trump, U.S. Secretary of Agriculture Sonny Perdue announced new details on eligibility for a new U.S. Department of Agriculture (USDA) disaster program, [2017 Wildfires and Hurricanes Indemnity Program](#) (2017 WHIP). In total, USDA's [Farm Service Agency](#) (FSA) will deploy the up to \$2.36 billion that Congress appropriated through the Bipartisan Budget Act of 2018 to help producers with recovery of their agricultural operations in at least nine states with hurricane damage and states impacted by wildfire. Following the announcement, Secretary Perdue issued this statement:

“Last year our nation experienced some of the most significant disasters we have seen in decades, some back-to-back, at the most critical time in their production year. While USDA has a suite of disaster programs as well as crop insurance available to help producers manage their risk, Congress felt it was important to provide extra assistance to our nation’s farms and ranches that were the hardest hit last year,” Secretary Perdue said. “At President Trump’s direction, our team is working as quickly as possible to make this new program available to farmers in need. Our aim is to provide excellent customer service, building on efforts which began the day the storm hit.”

Key Updates Include:

- **Hurricane Recovery:** To be eligible a crop, tree, bush or vine must be located in a primary disaster county with either a Presidential declaration or a Secretarial designation due to a 2017 hurricane. Crops, trees, bushes or vines located in other counties may also be eligible if the producer provides documentation the loss was caused by a 2017 hurricane.
- **Wildfire Recovery:** Any crop, tree, bush or vine, damaged by a 2017 wildfire is eligible.
- **Eligible Producers:** Eligibility will be determined on an individual basis, using the level of insurance coverage purchased for 2017 for the total crop acres on the area for which the WHIP application is made. Eligible producers who certify to an average adjusted gross income (AGI) of at least 75 percent derived from farming or ranching, including other agriculture and forestry-based businesses during the tax years 2013, 2014 and 2015, will be eligible for a \$900,000 payment limitation with verification. All other eligible producers requesting 2017 WHIP benefits will be subject to a \$125,000 payment limitation.
- **Crop Insurance Requirement:** Both insured and uninsured producers are eligible to apply for WHIP. However, all producers opting to receive 2017 WHIP payments will be required to purchase crop insurance at the 60% coverage level, or Noninsured Crop Disaster Assistance Program (NAP) at the 60% buy up coverage level if crop insurance is not available. Coverage must be in place for the next two applicable crop years to meet program requirements.
- **Acreage Reporting Requirements:** In addition, for the applicable crop years, all producers are required to file an acreage report and report production (if applicable).
- **Payment Formula:** FSA will calculate WHIP payments with this formula:

Payment = Expected Value of the Crop x WHIP Factor - Value of Crop Harvested - Insurance Indemnity

The WHIP factor ranges from 65 percent to 95 percent. Producers who did not insure their crops in 2017 will receive a 65 percent WHIP Factor. Insured producers, or producers who had NAP, will receive between 70 percent and 95 percent WHIP Factors; those purchasing higher levels of coverage will receive higher WHIP Factors.

Farm Service Agency Makes Administrative Change to the Livestock Indemnity Program

Agricultural producers who have lost livestock to disease, resulting from a weather disaster, have an additional way to become eligible for the [Livestock Indemnity Program](#).

In the event of disease, this change by USDA’s Farm Service Agency (FSA) authorizes local FSA county committees to accept veterinarian certifications that livestock deaths were directly related to

adverse weather and unpreventable through good animal husbandry and management. The committees may then use this certification to allow eligibility for producers on a case-by-case basis for LIP.

LIP provides benefits to agricultural producers for livestock deaths in excess of normal mortality caused by adverse weather, disease or by attacks by animals reintroduced into the wild by the federal government. Eligible weather events include earthquakes, hail, tornadoes, hurricanes, storms, blizzard and flooding.

Producers interested in LIP or other USDA disaster assistance programs should contact their [local USDA service center](#).

Update Your Records

FSA is cleaning up our producer record database. If you have any unreported changes of address, zip code, phone number, email address or an incorrect name or business name on file they need to be reported to our office. Changes in your farm operation, like the addition of a farm by lease or purchase, need to be reported to our office as well. Producers participating in FSA and NRCS programs are required to timely report changes in their farming operation to the County Committee in writing and update their CCC-902 Farm Operating Plan.

If you have any updates or corrections, please call your local FSA office to update your records.

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 can accept the CCC-941 for 2015, 2016, 2017 and 2018. Unlike the past, producers must have the CCC-941 certifying their AGI compliance before any payments can be issued.

Maintaining Good Credit History

Farm Service Agency (FSA) Farm Loan programs require that applicants have a satisfactory credit history. A credit report is requested for all FSA direct farm loan applicants. These reports are reviewed to verify outstanding debts, if bills are paid timely and to determine the impact on cash flow.

Information found on a customer's credit report is strictly confidential and is used only as an aid in conducting FSA business.

Our farm loan staff will discuss options with you if you have an unfavorable credit report and will provide a copy of your report. If you dispute the accuracy of the information on the credit report, it is up to you to contact the issuing credit report company to resolve any errors or inaccuracies.

There are multiple ways to remedy an unfavorable credit score.

- Make sure to pay bills on time. Setting up automatic payments or automated reminders can be an effective way to remember payment due dates.
- Pay down existing debt.
- Keep your credit card balances low.
- Avoid suddenly opening or closing existing credit accounts.

FSA's farm loan staff will guide you through the process, which may require you to reapply for a loan after improving or correcting your credit report.

For more information on FSA farm loan programs, visit www.fsa.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. Preauthorized 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>.

Selected Interest Rates for May 2018

- Farm Operating Loans — Direct 3.625%
- Farm Ownership Loans — Direct 4.125%
- Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher — 1.50%
- Emergency Loans — 3.750%
- Farm Storage Facility Loans (3 years) — 2.500%
- Farm Storage Facility Loans (5 years) — 2.625%
- Farm Storage Facility Loans (7 years) — 2.750%
- Farm Storage Facility Loans (10 years) — 2.875%
- Farm Storage Facility Loans (12 years) — 2.875%
- Sugar Storage Facility Loans (15 year term) — 2.875%
- Commodity Loans — 3.125%

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).
