

June 2018



Farm Service Agency **Electronic News Service**

NEWSLETTER

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Louisiana FSA Newsletter

Louisiana Farm Service Agency

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State Committee:
Ray Young, Chairperson
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Message from Craig A. McCain, FSA State Executive Director

Things here at FSA are much like I imagine them to be on your farm... challenging and busy! While much of the State has been abnormally dry for the past several weeks and irrigation systems are in full operation, recent rains have offered some relief from the dry conditions, as well as the unseasonably high temperatures. Recognizing that this is a busy time for producers who are faced with finishing planting and managing irrigation schedules across their farming operation, we encourage you to make time to address your business needs with FSA as soon as possible. As I mentioned in an earlier note, FSA will be challenged this summer across much of the State with the implementation of the Seed Cotton Program and Wildfires and Hurricane Indemnity Program (WHIP). In addition, Dairy Margin Protection Re-enrollment is being conducted

Julie Richard
Donna Winters

Next State Committee Meeting:

To be determined

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

and there is an opportunity for interested persons to enroll or re-enroll certain environmentally sensitive cropland in the Conservation Reserve Program during the CRP Continuous Sign-up which is currently underway. Since much of this work will be started or ongoing during mid to later Summer, you can assist us and allow FSA the opportunity to provide you with a high quality customer experience by making an appointment or visiting your local Parish Office to complete 2018 acreage reports as soon as possible. For those customers who are seeking capital investment or who simply want information about opportunities provided by FSA, I encourage you to contact your local USDA Service Center and ask about farm loan program opportunities available through FSA.

While we all face our own individual challenges and demands, we are comforted by the knowledge, that “this too shall pass” and we will soon be looking at a new season with its own set of challenges and rewards. Please know that USDA is here to assist you in any way that we can and we are thankful for what you do each day. Until next month, we will continue, as Secretary Perdue has challenged, to “Do Right and Feed Everyone”.

Upcoming Important Dates

- **June 4** – Signup began for Livestock Indemnity Program (LIP) and Emergency Assistance for Livestock, Honey Bees and Farm-raised Fish (ELAP)
- **June 4 - Aug. 17** – Conservation Reserve Program (CRP) Signup
- **June 15** – FSA County Committee Election nomination period begins
- **June 22** – Deadline for MPP-Dairy re-enrollment
- **July 4** – USDA Service Centers will be closed for the Independence Day Holiday
- **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

Louisiana FSA now offers SMS texting; receive text message alerts on your cell phone regarding important deadlines, reporting requirements and updates.

Whether you 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.

Contact your local FSA Office for more information.

USDA Partners with Texas A&M to Help Veterans Seeking Agriculture Loans and Careers

USDA announced a partnership between the U.S. Department of Agriculture (USDA) and Texas A&M's AgriLife Extension Service to help military veterans obtain loans and pursue careers as farmers and ranchers. Secretary Perdue joined local dignitaries, members of the Armed Forces, veterans, and community leaders at the Dallas Farmers Market to unveil the new pilot program.

USDA's [Farm Service Agency \(FSA\)](#) is collaborating with AgriLife Extension Service on the pilot, which is part of the Texas A&M Battleground to Breaking Ground project. The program makes it easier for veterans to meet federal requirements to get FSA direct [farm ownership](#) loans, which can help provide access to land and capital.

The pilot program, which will include 15 to 18 veterans, will roll out in three phases: an introductory workshop, a business planning curriculum, and a production curriculum over a period of 12 to 18 months.

Typically, loan applicants must participate in the business operations of a farm for at least three years during a 10-year period. However, as part of this pilot program, participants can combine the certificate they receive with their military leadership or management experience to satisfy this requirement. According to the U.S. Department of Labor, approximately 45 percent of armed service members are from rural America.

Pilot program applications will be accepted from interested veterans between June 15 and July 20, 2018, until 11 p.m. central standard time, [apply here](#). For more information about USDA programs, visit [newfarmers.usda.gov/veterans](#) or <https://www.farmers.gov>.

To learn about other ways USDA is supporting veterans, visit <https://www.usda.gov/our-agency/initiatives/veterans>, and watch <https://www.youtube.com/watch?v=OaELqXHUU3w>.

USDA Resumes Continuous Conservation Reserve Program Enrollment

One-Year Extension Available to Holders of Many Expiring Contracts through Continuous Signup

As part of a 33-year effort to protect sensitive lands and improve water quality and wildlife habitat on private lands, the U.S. Department of Agriculture (USDA) will resume accepting applications for the voluntary [Conservation Reserve Program \(CRP\)](#). Eligible farmers, ranchers, and private landowners can sign up at their local [Farm Service Agency \(FSA\)](#) office between June 4 and Aug. 17, 2018.

FSA stopped accepting applications last fall for the CRP continuous signup (excluding applications for the Conservation Reserve Enhancement Program (CREP) and CRP grasslands). This pause allowed USDA to review available acres and avoid exceeding the 24 million-acre CRP cap set by the 2014 Farm Bill. New limited practice availability and short sign up period helps ensure that landowners with the most sensitive acreage will enroll in the program and avoid unintended competition with new and beginning farmers seeking leases. CRP enrollment currently is about 22.7 million acres.

2018 Signup for CRP

For this year's signup, limited priority practices are available for continuous enrollment. They include grassed waterways, filter strips, riparian buffers, wetland restoration and others. [View a full list of practices](#).

FSA will use updated soil rental rates to make annual rental payments, reflecting current values. It will not offer incentive payments as part of the new signup.

USDA will not open a general signup this year, however, a one-year extension will be offered to existing CRP participants with expiring CRP contracts of 14 years or less. Producers eligible for an extension will receive a letter with more information.

CRP Grasslands

Additionally, FSA established new [ranking criteria](#) for [CRP Grasslands](#). To guarantee all CRP grasslands offers are treated equally, applicants who previously applied will be asked to reapply using the new ranking criteria. Producers with pending applications will receive a letter providing the options.

About CRP

In return for enrolling land in CRP, USDA, through FSA on behalf of the Commodity Credit Corporation (CCC), provides participants with annual rental payments and cost-share assistance. Landowners enter into contracts that last between 10 and 15 years. CRP pays producers who remove sensitive lands from production and plant certain grasses, shrubs and trees that improve water quality, prevent soil erosion and increase wildlife habitat.

The new changes to CRP do not impact the Conservation Reserve Enhancement Program, a related program offered by CCC and state partners.

Producers wanting to apply for the CRP continuous signup or CRP grasslands should contact their USDA service center. To locate your local FSA office, visit <https://www.farmers.gov>. More information on CRP can be found at www.fsa.usda.gov/crp.

USDA Reopens Application Period for Producers Recovering from Cattle Loss, Other Disasters

Signup Began June 4 for Livestock Indemnity Program and Emergency Assistance for Livestock, Honey Bees, and Farm-raised Fish

The U.S. Department of Agriculture (USDA) began accepting disaster assistance program applications on June 4 from agricultural producers who suffered livestock, honeybees, farm-raised fish and other losses due to natural disasters.

USDA's [Farm Service Agency](#) (FSA) is reopening the application period for two disaster assistance programs in response to statutory changes made by Congress earlier this year.

FSA will accept new applications for losses for calendar year 2017 or 2018 filed under the [Livestock Indemnity Program](#) (LIP) or [Emergency Assistance for Livestock, Honey Bees, and Farm-raised Fish Program](#) (ELAP). Producers who already submitted applications and received decisions on their applications for these years do not need to file again, but they can reapply if they have additional losses or their application was disapproved because it was filed late.

In February, Congress passed the Bipartisan Budget Act of 2018, which made several changes to these two disaster programs, including:

- Removing ELAP's \$20 million fiscal year funding cap, enabling FSA to pay producers' 2017 applications in full and their 2018 applications as soon as they are approved.
- Removing the per-person and legal entity annual program payment limitation of \$125,000 for LIP for 2017 and future years. (The income limitation applies as it did before, meaning producers with an adjusted gross income of more than \$900,000 are not eligible.)
- Changing LIP to allow producers to receive a payment for injured livestock that are sold for a reduced price due to an eligible event. Previously, the program only covered financial loss for livestock death above normal mortality.

Producers interested in LIP or ELAP should contact their [local USDA service center](#). To apply, producers will need to provide verifiable and reliable production records and other information about their operation.

Drought, wildfires and other disasters continue to impact farmers and ranchers, and LIP and ELAP are two of many programs available through USDA to help producers recover. Learn more at <https://www.usda.gov/disaster>.

Perdue Announces Additional Hurricane and Wildfire Recovery Details

Under the direction of President Donald J. Trump, U.S. Secretary of Agriculture Sonny Perdue today 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.

Other USDA Disaster Assistance

Drought, wildfires and other disasters continue to impact farmers and ranchers, and 2017 WHIP is just one of many programs available through USDA to help with recovery. From crop insurance to on-the-ground rehabilitation programs like the [Emergency Conservation Program \(ECP\)](#) and [Environmental Quality Incentives Program \(EQIP\)](#), USDA is here to help. The Bipartisan Budget Act of 2018 provided funding for ECP and the [Emergency Watershed Protection Program](#). The [Act also provided amendments](#) to make programs like the Emergency Assistance for Livestock, Honeybees and Farm-raised Fish Program, Tree Assistance Program and Livestock Indemnity Program even more responsive.

More Information:

FSA will hold a sign-up for 2017 WHIP no later than July 16. Additional information on WHIP is available on [FSA's 2017 WHIP webpage](#). For immediate assistance under any of our other disaster programs, please contact a [local USDA service center](#) or learn more at www.fsa.usda.gov/disaster.

Transitioning Expiring CRP Land to Beginning, Veteran or Underserved Farmers and Ranchers

Retired or retiring landowners or operators are encouraged to transition their Conservation Reserve Program (CRP) acres to beginning, veteran or underserved farmers or ranchers through the Transition Incentives Program (TIP). TIP provides annual rental payments to the retiring farmer for up to two additional years after the CRP contract expires, provided the transition is not to a family member.

Enrollment in TIP is on a continuous basis. Beginning, veteran or underserved farmers and ranchers and retiring CRP participants may enroll in TIP beginning one year before the expiration date of the CRP contract or Aug. 15. For example, if a CRP contract is scheduled to expire on Sept. 30, 2018, the land may be offered for enrollment in TIP beginning Oct. 1, 2017, through Aug. 15, 2018. The Aug. 15 deadline allows the Natural Resources Conservation Service (NRCS) time to complete the TIP sustainable grazing or crop production conservation plans. The TIP application must be submitted prior to completing the lease or sale of the affected lands.

New landowners or renters must return the land to production using sustainable grazing or farming methods.

For more information on TIP, visit <https://www.fsa.usda.gov/conservation>.

Fire Management on CRP Acres

Landowners who participate in the Conservation Reserve Program (CRP) are responsible for fire management on their CRP acreage. Fireguard technical practices should be outlined in the Conservation Plan of Operations (CPO).

Landowners must complete the necessary management activities outside of the Primary Nesting Season. In Louisiana, the Primary Nesting Season is April 15 - July 15 for all activities. The goal is to suppress the amount of fuel in the event of a wildfire while still promoting the diversity of the conservation cover.

FSA encourages producers to be proactive in preventing the spread of wildfire. Fire management includes installing firebreaks, which should be included in the contract support document and installed according to NRCS firebreak standards.

Barren firebreaks will only be allowed in high risk areas, such as transportation corridors, rural communities, and adjacent farmsteads. A conservationist must certify that there will not be an erosion hazard from the barren firebreak. If erosion becomes a problem, remedial action will be taken.

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 Louisiana is April 15 - July 15. 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.

Environmental Review Required Before Project Implementation

The National Environmental Policy Act (NEPA) requires Federal agencies to consider all potential environmental impacts for federally-funded projects before the project is approved.

For all Farm Service Agency (FSA) programs, an environmental review must be completed before actions are approved, such as site preparation or ground disturbance. These programs include, **but are not limited to**, the Emergency Conservation Program (ECP), Farm Storage Facility Loan (FSFL) program and farm loans. If project implementation begins before FSA has completed an environmental review, this will result in a denial of the request. There are exceptions regarding the Stafford Act and emergencies. It is important to wait until you receive written approval of your project proposal before starting any actions, including, but not limited to, vegetation clearing, site preparation or ground disturbance.

Remember to contact your local FSA office early in your planning process to determine what level of environmental review is required for your program application so that it can be completed timely.

Applications cannot be approved contingent upon the completion of an environmental review. FSA must have copies of all permits and plans before an application can be approved.

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 \$50,000 can be secured by a promissory note/security agreement and loans between \$50,000 and \$100,000 may require additional security. 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>.

Farmers to Receive Documentation of USDA Services

Farm Service Agency (FSA) reminds agricultural producers that FSA provides a receipt to customers who request or receive assistance or information on FSA programs.

The 2014 Farm Bill requires a customer receipt to be issued for any agricultural program assistance requested from FSA, the Natural Resources Conservation Service (NRCS) and Rural Development (RD). Receipts include the date, summary of the visit and any agricultural information, program and/or loan assistance provided to an individual or entity.

A service is any information, program or loan assistance provided whether through a visit, email, fax or letter.

Guaranteed Loan Program

FSA guaranteed loans allow lenders to provide agricultural credit to farmers who do not meet the lender's normal underwriting criteria. Farmers and ranchers apply for a guaranteed loan through a lender, and the lender arranges for the guarantee. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. Guaranteed loans can be used for both farm ownership and operating purposes.

Guaranteed farm ownership loans can be used to purchase farmland, construct or repair buildings, develop farmland to promote soil and water conservation or to refinance debt.

Guaranteed operating loans can be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance and other operating expenses.

FSA can guarantee farm ownership and operating loans up to \$1,399,000. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your lender or local FSA farm loan office for more information on guaranteed loans.

Selected Interest Rates for June 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) — 2.625%
- Farm Storage Facility Loans (5 years) — 2.875%
- Farm Storage Facility Loans (7 years) — 3.000%
- Farm Storage Facility Loans (10 years) — 3.000%
- Farm Storage Facility Loans (12 years) — 3.000%
- Sugar Storage Facility Loans (15 year term) — 3.000%
- Commodity Loans — 3.250%

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).
