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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

Well here we go again....It is really hard to believe that harvest season is upon us! Across the State, rice harvest is underway and corn/sorghum harvest has started and is gaining momentum every day! In a few days, early soybeans will be mature and grain harvest will have begun in full. Other crops such as cotton, sugar cane and sweet potatoes will not be far behind! In general, even after a difficult spring, overall crops look good. However, as always challenges exist. Producers in Northwest Louisiana continue to deal with significant drought conditions.

On another note, FSA has begun to implement the 2018 ARCPLC Seed Cotton program on farms across the State that currently have "Generic Base" acres. An owner on these farms will be required to make decisions concerning generic base allocation and possibly updating the farms Seed Cotton PLC payment yield. All producers on farms with generic base acres must then unanimously agree to elect ARC-CO or PLC for Seed Cotton and then complete enrollment of the farm for the 2018 crop year. **The deadline for**

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

completing the processes listed above on a farm which contains “Generic Base” is **December 7, 2018**. However, if your farm has no “Generic Base” acres then the **deadline to enroll in the 2018 ARCPLC program is September 28, 2018**. Owner or operators who need additional information or clarification concerning enrollment of any farm in the 2018 ARCPLC program should immediately contact their local FSA County Office.

Lastly, if you or anyone that you know is interested in securing a farm operating loan or a farm ownership loan or simply just knowing more about the opportunities to secure capital investment for your farming operation; please know that FSA can assist you. FSA staff is ready and willing to work with you or in conjunction with a lender of your choice in meeting your needs.

As has become our custom, I'll leave you with the challenge issued to all of USDA by our Secretary of Agriculture, Sonny Perdue... “Do right and feed everyone”! Thanks for what you do to serve the people of this State, our Nation and the World!

Upcoming Important Dates

- **July 16 – Nov. 16;** WHIP signup period
- **July 30 – Dec. 7;** ARCPLC signup period for Seed Cotton
- **Sept. 3** - All USDA Service Centers will be closed for the Labor Day Holiday
- **Sept. 28** - Deadline to enroll ARCPLC Non-Generic Base Acreage Farms
- **Sept. 30** - NAP sales closing date for forage for grazing and mechanically harvested forage
- **Sept. 30** - Final MAL availability date for sugar

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 Encourages Producers to Consider NAP Risk Protection Coverage before Crop Sales Deadlines

The Farm Service Agency encourages producers to examine available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the applicable crop sales deadline.

Producers are reminded that crops not covered by insurance may be eligible for NAP. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage.

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent

federal crop insurance program is available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

Producers can determine if crops are eligible for federal crop insurance or NAP by visiting <https://webapp.rma.usda.gov/apps/ActuarialInformationBrowser2018/CropCriteria.aspx>.

NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

Deadlines for coverage vary by state and crop. To learn more about NAP visit www.fsa.usda.gov/nap or contact your local USDA Service Center. To find your local USDA Service Centers go to <http://offices.usda.gov>.

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at USDA's online Agent Locator: <http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#>. Producers can use the USDA Cost Estimator, <https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx>, to predict insurance premium costs.

Report Noninsured Crop Disaster Assistance Program (NAP) Losses

The Noninsured 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 freeze, hail, excessive moisture, excessive wind or hurricanes, flood, excessive heat and qualifying drought (includes native grass for grazing), among others.

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.

Producers of hand-harvested crops and certain perishable crops must notify FSA within 72 hours of when a loss becomes apparent.

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.

FSA Offers Safety Net Programs for Honeybee Producers

The Farm Service Agency (FSA) administers two programs that have specific safety net benefits for producers of honeybees and honey. The Noninsured Crop Disaster Assistance Program (NAP) and the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) assist producers when disasters impact honey production or damage or destroy colonies, hives or honeybee feed.

NAP is designed to reduce financial losses when natural disasters result in lower yields or crop losses, including honey. NAP coverage is equivalent to catastrophic insurance, meaning it covers up to 50 percent of a producer's normal yield (must have at least a 50 percent loss) at 55 percent of the average market price. The NAP service fee is the lesser of \$250 per crop or \$750 per producer

per administrative county, not to exceed a total of \$1,875 for a producer with farming interests in multiple counties. Eligible causes of loss include drought, freeze, hail, excessive moisture, excessive wind, hurricanes, earthquake, flood, and conditions related to damaging weather such as excessive heat, plant disease, volcanic smog or insect infestation.

Producers must apply for NAP coverage by Dec. 1 prior to the year for which they are seeking coverage.

ELAP covers colony losses, hive losses and the loss of purchased feed intended for honeybees. For colony losses, producers must have losses in excess of normal mortality (normal mortality is 22 percent) as a direct result of an eligible adverse weather event or loss condition. For hive losses, the hive must have been damaged or destroyed as a result of an eligible adverse weather event or loss condition. Eligible adverse weather or loss conditions include Colony Collapse Disorder (for colony losses only), earthquake, eligible winter storm (colony loss only), excessive wind, flood, hurricane, lightning, tornado, volcanic eruption and wildfire. For purchased feed, the program covers feed purchased above normal quantities to sustain bees during an eligible adverse weather event or loss condition. Under ELAP the producer must provide documentation that best management practices are being followed.

Both the NAP and ELAP programs require producers to report the number of colonies they have in production to FSA by Jan. 2, 2019. Honeybee producers must notify FSA within 30 calendar days of changes in the total number of colonies or when honeybees are moved to another county.

For ELAP, producers must notify FSA within 30 calendar days of when a loss occurs or from when the loss is apparent. Producers with NAP coverage must file a Notice of Loss within 15 days of the occurrence of the disaster or when losses become apparent.

To learn more about programs for honey and honeybee producers, contact your local FSA office.

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.

Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) Educational Tool Available for Farms with Generic Base Acres that Planted Seed Cotton

Farm Service Agency (FSA) is notifying farmers with generic base acres that planted seed cotton that a new tool is available to assist them in understanding how the new seed cotton program may affect their FSA payments. It helps a producer make decisions on how to allocate generic base acres to other covered crops based on a producer's planting history.

The educational tool can be viewed at <https://www.afpc.tamu.edu/tools/cotton-base>.

Developed by Texas A&M University, the tool is for educational purposes only, and by using the tool, it is agreed that the results are not a guarantee of future FSA program parameters or payments. Users also acknowledge that this tool is provided with absolutely no warranty, without even the implied warranty of fitness for a particular purpose.

The Bipartisan Budget Act of 2018 included [seed cotton as a covered commodity](#) under the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program effective for the 2018 crop year. The Act also authorizes owners of a farm with generic base acres and a recent history of covered commodities a one-time opportunity to update the farm's payment yield for seed cotton.

Complete details of this decision are available by reading the [Notice](https://www.fsa.usda.gov/Internet/FSA_Notice/arcplc50.pdf) (https://www.fsa.usda.gov/Internet/FSA_Notice/arcplc50.pdf)

Or by contacting your State or County FSA office <http://offices.usda.gov>.

Direct Loans

FSA offers direct farm ownership and direct farm operating Loans to producers who want to establish, maintain or strengthen their farm or ranch. FSA loan officers process, approve and service direct loans.

Direct farm operating loans can be used to purchase livestock and feed, farm equipment, fuel, farm chemicals, insurance and other costs including family living expenses. Operating loans can also be used to finance minor improvements or repairs to buildings and to refinance some farm-related debts, excluding real estate.

Direct farm ownership loans can be used to purchase farmland, enlarge an existing farm, construct and repair buildings, and to make farm improvements.

The maximum loan amount for both direct farm ownership and operating loans is \$300,000 and a down payment is not required. 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 local FSA office for more information or to apply for a direct farm ownership or operating loan.

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 August 2018

- Farm Operating Loans — Direct 3.750%
- 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) — 2.750%

- Farm Storage Facility Loans (7 years) — 2.875%
- 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 — 3.375%

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).