

September 2018



Farm Service Agency **Electronic News Service**

NEWSLETTER

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- [USDA Adds Shelled Almonds and Fresh Sweet Cherry to Market Facilitation Program](#)
- [USDA Enrollment Period for Safety Net Coverage in 2018](#)
- [Environmental Review Required Before Project Implementation](#)
- [Farm Storage Facility Loans](#)
- [Maintaining Good Credit History](#)
- [Communication is Key in Lending](#)
- [Selected Interest Rates and Dates to Remember](#)

Maryland FSA Newsletter

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USDA Adds Shelled Almonds and Fresh Sweet Cherry to Market Facilitation Program

Department Amends Timeline for Hog Operations

USDA announced the addition of commodities to the trade mitigation package aimed at assisting farmers suffering from damage due to unjustified trade retaliation by foreign nations. Starting Monday, Sept. 24, producers of shelled almonds and fresh sweet cherries may apply for Market Facilitation Program (MFP) payments at their local Farm Service Agency (FSA) office. In addition, the timeline for hog producers has been extended.

The sign-up period for MFP for other eligible commodities is now open and runs through Jan. 15, 2019, with information and instructions provided at www.farmers.gov/mfp. The MFP is established under the statutory authority of the Commodity Credit Corporation CCC Charter Act and is under the administration of USDA's FSA. Eligible producers should apply after harvest is

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

complete, as payments will only be issued once production is reported.

A payment will be issued on 50 percent of the producer's total production, multiplied by the MFP rate for a specific commodity. A second payment period, if warranted, will be determined by the USDA.

The initial MFP payment rates starting Sept. 24:

- Shelled Almonds - \$0.03 per pound
- Fresh Sweet Cherries - \$0.16 per pound

MFP payments are capped per person or legal entity at a combined \$125,000 for shelled almonds and fresh sweet cherries.

Eligible applicants must have an ownership interest in the commodity, be actively engaged in farming, and have an average adjusted gross income (AGI) for tax years 2014, 2015, and 2016 of less than \$900,000. Applicants must also comply with the provisions of the "Highly Erodible Land and Wetland Conservation" regulations.

Expanded Hog Timeline

USDA has expanded the timeline for producers with whom the Aug. 1, 2018, date does not accurately represent the number of head of live hogs they own. Producers may now choose any date between July 15 to Aug. 15, 2018 that correctly reflects their actual operation.

MFP applications are available online at www.farmers.gov/mfp. Applications can be completed at a local FSA office or submitted electronically either by scanning, emailing, or faxing. To locate or contact your local FSA office, visit www.farmers.gov.

USDA Enrollment Period for Safety Net Coverage in 2018

Farmers and ranchers with base acres in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) safety net program still have time to enroll for the 2018 crop year. The enrollment period for farms without generic base acres will end on Sept. 28, 2018. Producers with generic base acres have until Dec. 7, 2018, to allocate generic base acres, update yields, make a program election for seed cotton base acres and enroll farms that formerly contained generic base acres.

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

The producers on a farm that are not enrolled for the 2018 enrollment period will not be eligible for financial assistance from the ARC or PLC programs for the 2018 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 previous years must still enroll during the 2018 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, wheat and upland cotton. 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 <https://www.farmers.gov/>.

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>.

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.

Communication is Key in Lending

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be a success. A part of ensuring this success is providing guidance and counsel from the loan application process through the borrower's graduation to commercial lending institutions. While it is FSA's commitment to advise borrowers as they identify goals and evaluate progress, it is crucial for borrowers to communicate with their farm loan staff when changes occur. It is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation;
- Any significant changes to family income or expenses;

- The development of problem situations;
- Any losses or proposed significant changes in security

In addition, if a farm loan borrower cannot make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options.

For more information on FSA farm loan programs, visit www.fsa.usda.gov.

Selected Interest Rates and Dates to Remember

Selected Interest Rates for September 2018		Dates to Remember	
90-Day Treasury Bill	2.375%	Sept. 30	NAP application deadline for biennial and perennial forage crops, alfalfa, grass forages, mixed forages, and other forages.
Farm Operating Loans — Direct	3.750%	Sept. 30	Crop reporting deadline for value-loss and controlled environment crops, including aquaculture, Christmas trees, ginseng, floriculture, mushrooms, and turf grass sod. Excludes nursery.
Farm Ownership Loans — Direct	4.000%	Oct. 8	MD FSA offices closed for Columbus Day.
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	2.500%	Nov. 5	COC ballots mailed to eligible voters.
Emergency Loans	3.750%	Nov. 12	MD FSA offices closed for Veterans Day Observance.
Farm Storage Facility Loans (7 years)	2.875%	Nov. 15	Crop reporting for PRF (pasture, rangeland, and forage covered by crop insurance).
Sugar Storage Facility Loans	3.00%	Nov. 20	NAP application deadline for perennial crops (other than those intended for forage), peaches, apples, cherries, grapes, and berries.
Commodity Loans 1996-Present	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).