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- [USDA Opens Enrollment Period for Agriculture Risk Coverage and Price Loss Coverage Safety-Net Programs](#)
- [ARC, PLC and CTAP Acreage Maintenance](#)
- [Mississippi Producers Must Report Prevented Planting and Failed Acres](#)
- [Support for Beginning Farmers and Ranchers of Mississippi](#)
- [USDA Implements 2014 Farm Bill Provision to Limit Payments to Non-Farmers](#)
- [Mississippi Counties Seeking Nominations For 2015 FSA County Committee Elections](#)
- [USDA Energy Biomass Retrieval Incentives Started June 30](#)
- [Agricultural Producers in Mississippi Still Have Time to Apply for Direct Farm Ownership Loan Program](#)
- [Microloans](#)
- [Youth Loans](#)

Mississippi FSA July Newsletter

Mississippi Farm Service Agency (FSA)

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USDA Opens Enrollment Period for Agriculture Risk Coverage and Price Loss Coverage Safety-Net Programs

U.S. Department of Agriculture (USDA) announced that eligible producers may now formally enroll in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for 2014 and 2015. The enrollment period began June 17, 2015, and will end Sept. 30, 2015.

The new programs, established by the 2014 Farm Bill, trigger financial protections for agricultural producers when market forces cause substantial drops in crop prices or

Michael R. Sullivan

Next State Committee Meeting:
August 12, 2015 at 10:00 A.M.

Interest Rates:

90-Day Treasury Bill	.125%
Farm Operating Loans - Direct	2.50%
Farm Ownership Loans - Direct	3.75%
Farm Ownership Loans - Direct Down Payment, Beginning Farmer	1.50%
Emergency Loans	3.50%
Farm Storage Facility Loan (7 year)	2.000%
Farm Storage Facility Loan (10 years)	2.250%
Farm Storage Facility Loan (12 years)	2.375%

Please contact your [local FSA Office](#) for questions specific to your operation or county.

revenues. More than 1.76 million farmers have elected ARC or PLC. Previously, 1.7 million producers had enrolled to receive direct payments (the program replaced with ARC and PLC by the 2014 Farm Bill). This means more farms have elected ARC or PLC than previously enrolled under previously administered programs.

Nationwide, 96 percent of soybean farms, 91 percent of corn farms, and 66 percent of wheat farms elected ARC. 99 percent of long grain rice farms, 99 percent of peanut farms, and 94 percent of medium grain rice farms elected PLC. For data about other crops and state-by-state program election results go to www.fsa.usda.gov/arc-plc.

Covered commodities under ARC and PLC 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 information please contact your local FSA office <https://offices.usda.gov>.

ARC, PLC and CTAP Acreage Maintenance

Producers enrolled in Agriculture Risk Coverage (ARC), Price Loss Coverage (PLC) or the Cotton Transition Assistance Program (CTAP) must protect all cropland and noncropland acres on the farm from wind and water erosion and noxious weeds. Producers who sign ARC county or individual contracts and PLC contracts agree to effectively control noxious weeds on the farm according to sound agricultural practices. If a producer fails to take necessary actions to correct a maintenance problem on a farm that is enrolled in ARC, PLC or CTAP, the County Committee may elect to terminate the contract for the program year.

Mississippi Producers Must Report Prevented Planting and Failed Acres

USDA Farm Service Agency (FSA) reminds producers to report prevented planting and failed acres in order to establish or retain FSA program eligibility.

Producers must report crop acreage they intended to plant, but due to natural disaster, were prevented from planting. Prevented planting acreage must be reported on form CCC-576, Notice of Loss, no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA).

If a producer is unable to report the prevented planting acreage within the 15 calendar days following the final planting date, a late-filed report can be submitted. Late-filed reports will only be accepted if FSA conducts a farm visit to assess the eligible disaster condition that prevented the crop from being planted. A measurement service fee will be charged.

Additionally, producers with failed acres should also use form CCC-576, Notice of Loss, to report failed acres. After CCC-576 is submitted, it **cannot** be withdrawn or revised. County Offices that accept a prevented planted claim CCC-576, Part B, more than 15 calendar days after the final planting date can consider CCC-576, Part B timely filed, regardless of when it is received, if the producer has crop insurance coverage for the crop and timely filed a prevented planted report to the reinsurance company.

For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP), producers must file a Notice of Loss within 15 days of the occurrence of the disaster or when losses become apparent. Producers must timely file a Notice of Loss for failed acres on all crops including grasses.

Producers of hand-harvested crops must notify FSA of damage or loss through the administrative County Office within 72 hours of the date of damage or loss first becomes apparent. Hand-harvested crops produced in Mississippi that is subject to 72-hour loss notification includes apples, beans, blueberries, cucumbers, sweet corn, grapes, melons, onions, peaches, pecans, tomatoes, watermelons, pumpkins, sweet potatoes, white potatoes, greens, peppers, okras, broccoli, plums, cabbage, cantaloupe, eggplant, lettuce, and honeydew. This notification can be provided by filing a CCC-576, email, fax or phone. Producers who notify the County Office by any method other than by filing the CCC-576 are still required to file a CCC-576, Notice of Loss, within the required 15 calendar days.

Please contact your local County FSA Office to schedule an appointment to file a Notice of Loss. To find your local FSA office visit <http://offices.usda.gov>.

Support for Beginning Farmers and Ranchers of Mississippi

USDA announced the implementation of new Farm Bill measures and other policy changes to improve the financial security of new and beginning farmers and ranchers. USDA also unveiled www.USDA.gov/newfarmers, a website that will provide a centralized, one-stop resource where beginning farmers and ranchers can explore the variety of USDA initiatives designed to help them succeed.

USDA's www.usda.gov/newfarmers has in depth information for new farmers and ranchers

including: how to increase access to land and capital; build new market opportunities; participate in conservation opportunities; select and use the right risk management tools; and access USDA education, and technical support programs. These issues have been identified as top priorities by new farmers. The website will also feature instructive case studies about beginning farmers who have successfully utilized USDA resources to start or expand their business operations.

Policy announcements in support of beginning farmers and ranchers include:

- Waiving service fees for new and beginning farmers or ranchers to enroll in the Non-Insured Crop Disaster Assistance Program (NAP) for the 2014 crop year. NAP provides risk management tools to farmers who grow crops for which there is no crop insurance product. Under this waiver, announced via an [official notice](#) to Farm Service Agency offices, farmers and ranchers whom already enrolled in NAP for the 2014 crop year and certified to being a beginning farmer or social disadvantaged farmer are eligible for a service fee refund.
- Eliminating payment reductions under the [Conservation Reserve Program](#) (CRP) for new and beginning farmers which will allow routine, prescribed, and emergency grazing outside the primary nesting season on enrolled land consistent with approved conservation plans. Previously, farmers and ranchers grazing on CRP land were subject to a reduction in CRP payments of up to 25 percent. Waiving these reductions for new and beginning farmers will provide extra financial support during times of emergency like drought and other natural disasters.
- Increasing payment rates to beginning farmers and ranchers under Emergency Assistance for [Livestock, Honeybees and Farm-Raised Fish Program \(ELAP\)](#). Under this provision, beginning farmers can claim up 90 percent of losses for lost livestock, such as bees, under ELAP. This is a fifty percent increase over previously available payment amounts to new and beginning farmers.

Additional information about USDA actions in support of beginning farmers and ranchers is available [here](#).

USDA Implements 2014 Farm Bill Provision to Limit Payments to Non-Farmers

Department Proposes Changes to "Actively Engaged" Rule

USDA proposed a rule to limit farm payments to non-farmers, consistent with requirements Congress mandated in the 2014 Farm Bill. The proposed rule limits farm payments to individuals who may be designated as farm managers but are not actively engaged in farm management. In the Farm Bill, Congress gave USDA the authority to address this loophole for joint ventures and general partnerships, while exempting family farm operations from being impacted by the new rule USDA ultimately implements.

The current definition of "actively engaged" for managers, established in 1987, is broad, allowing individuals with little to no contributions to critical farm management decisions to receive safety-net payments if they are classified as farm managers, and for some operations there were an unlimited number of managers that could receive payments.

The proposed rule seeks to close this loophole to the extent possible within the guidelines required by the 2014 Farm Bill. Under the proposed rule, non-family joint ventures and general partnerships must document that their managers are making significant contributions to the farming operation, defined as 500 hours of substantial management work per year, or 25 percent of the critical management time necessary for the success of the farming operation. Many operations will be limited to only one manager who can receive a safety-net payment. Operators that can demonstrate

they are large and complex could be allowed payments for up to three managers only if they can show all three are actively and substantially engaged in farm operations. The changes specified in the rule would apply to payment eligibility for 2016 and subsequent crop years for Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) Programs, loan deficiency payments and marketing loan gains realized via the Marketing Assistance Loan program.

As mandated by Congress, family farms will not be impacted. There will also be no change to existing rules for contributions to land, capital, equipment, or labor. Only non-family farm general partnerships or joint ventures comprised of more than one member will be impacted by this proposed rule.

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Mississippi Counties Seeking Nominations For 2015 FSA County Committee Elections

The election of agricultural producer to Farm Service Agency (FSA) county committees is important to ALL farmers and ranchers, whether you are a beginning or longtime producer, or whether you have a large or small operation. Every eligible agricultural producer should participate in these elections because FSA county committees are a link between your agricultural community and the U. S. Department of Agriculture (USDA).

Farmers and ranchers who serve on FSA county committees apply their judgement and knowledge to help with the decisions necessary to administer FSA programs in their counties, ensuring the needs of local producers are met. FSA county committees operate within official federal regulations

so that local input is provided on federal programs such as:

- Income safety-net loans and payments
- Conservation programs
- Incentive, indemnity and disaster payments for some commodities
- Emergency programs
- Payment eligibility

Agricultural producers of legal voting age may be eligible to vote if they participate or cooperate in any FSA program. Individuals may nominate themselves or others as a candidate. Organizations representing minority and women farmers or ranchers may nominate candidates. Nomination forms are filed for the county committee of the office that administers a producer's farm records.

To become a nominee, eligible individuals must sign nomination form FSA-669A. The form includes a statement that the nominee agrees to serve if elected.

COC Election 2015 Dates

June 15, 2015 - The nomination period begins. Request nomination forms from the local USDA Service Center or obtain online at <http://www.fsa.usda.gov/elections>

Aug. 3, 2015 - Last day to file nomination forms at the local USDA Service Center

Nov. 9, 2015 - Ballots mailed to eligible voters

Dec. 7, 2015 - Last day to return voted ballots to the USDA Service Center

Jan. 1, 2016 - Newly elected county committee members take office

USDA Energy Biomass Retrieval Incentives Started June 30

Owners of Forestry and Farm Residues Can Apply for Biomass Crop Assistance Program

The USDA Farm Service Agency (FSA) began accepting applications on June 30, 2015, from foresters and farmers seeking financial assistance to harvest and deliver biomass to generate clean energy. The support comes through the Biomass Crop Assistance Program (BCAP), which was re-authorized by the 2014 Farm Bill.

For 2015, USDA has reserved up to \$11.5 million to assist with the cost of removing woody or herbaceous residues from farm fields or national forests and woodlands for delivery to energy generation facilities. A majority of the funds are expected to support the removal of dead or diseased trees from National Forest and Bureau of Land Management public lands. Orchard wastes, and agriculture residues such as corn cobs and stalks, also qualify as energy-producing feedstock.

To be eligible for the retrieval incentives, the biomass must be delivered to FSA-approved biomass conversion facilities. For a list of approved facilities, visit www.fsa.usda.gov/bcap.

The Biomass Crop Assistance Program also provides financial assistance to farmers and ranchers who produce new sources of energy biomass by growing eligible crops on contract acres within approved BCAP project areas. Funding for this portion of the program, known as Project Areas, will be announced later this summer. In addition, FSA is preparing an environmental review of BCAP and has proposed improvements to Project Area requirements, including crop eligibility, contract

duration, and processes to offset the lack of biomass insurance.

For more details on the environmental review and proposed changes to BCAP, visit www.bcappeis.com, www.fsa.usda.gov/bcap or contact your local FSA county office.

Agricultural Producers in Mississippi Still Have Time to Apply for Direct Farm Ownership Loan Program

Low-Interest Loans Can Help Producers Start or Expand Farms

The U.S. Department of Agriculture (USDA) Mississippi Farm Service Agency (FSA) today announced that farmers and ranchers still have time to apply for low interest loans available through the FSA direct farm ownership program. Applications must be approved by Sept. 30, 2015, to take advantage of the funding available.

Eligible farmers and ranchers can borrow up to \$300,000 to buy farmland, construct or repair buildings, pay closing costs, or promote soil and water conservation. The interest rate can be as low as 1.5 percent with up to 40 years to repay.

New farmers and ranchers, military veterans, and underserved farmers and ranchers also are encouraged to apply. Each year Congress targets 80 percent of available loan funds to beginning and targeted underserved farmers and ranchers. Targeted underserved groups include American Indians or Alaskan Natives, Asians, Blacks or African Americans, Native Hawaiians, or other Pacific Islanders, Hispanics and women.

For more information about farm loan, visit www.fsa.usda.gov/farmloans, or contact your local FSA office. To find your local FSA county office, visit <https://offices.usda.gov>.

Microloans

Farm Service Agency (FSA) reminds farmers and ranchers that the FSA borrowing limit for microloans increased from \$35,000 to \$50,000, on Nov. 7, 2014. Microloans offer borrowers simplified lending with less paperwork.

The microloan change allows beginning, small and mid-sized farmers to access an additional \$15,000 in loans using a simplified application process with up to seven years to repay. Microloans are part of USDA's continued commitment to [small and midsized farming operations](#).

To complement the microloan program additional changes to FSA eligibility requirements will enhance beginning farmers and ranchers access to land, a key barrier to entry level producers. FSA policies related to farm experience have changed so that other types of skills may be considered to meet the direct farming experience required for farm ownership loan eligibility. Operation or management of non-farm businesses, leadership positions while serving in the military or advanced education in an agricultural field will now count towards the experience applicants need to show when applying for farm ownership loans. **Important Note:** Microloans cannot be used to purchase real estate.

Since 2010, more than 50 percent of USDA's farm loans now go to beginning farmers and FSA has increased its lending to targeted underserved producers by nearly 50 percent.

Please review the FSA [Microloan Program Fact Sheet](#) for program application, eligibility and related

information.

Youth Loans

The Farm Service Agency makes loans to youth to establish and operate agricultural income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5000.

Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the youth loan applicant, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms.

USDA is an equal opportunity provider and employer. 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).