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Mississippi FSA September Newsletter

Mississippi Farm Service Agency (FSA)

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NAP Application for Coverage Deadlines

NAP provides financial assistance to eligible producers when natural disasters cause catastrophic loss of production (low yield) or prevented planting of an eligible noninsurable crop by providing coverage equivalent to CAT. In the event of a natural disaster, NAP covers the amount of loss greater than the expected production based on the producer's approved yield and reported acreage. For other eligible NAP crops, producers may select buy-up coverage ranging from 50 to 65 percent of production, in 5 percent increments, and for 100 percent of the average market price. Producers who want to purchase coverage through the Noninsured Crop Disaster Assistance Program (NAP) should do so on or before the application closing date for the applicable crop.

Upcoming NAP Application Closing Dates are shown below:

9/30/2015 Closing Date

Next State Committee Meeting:

October 14, 2015 at 10:00 A.M.

For Bahia seed, oats, onions, wheat, forage for grazing (cool & warm season), & mechanically harvested forage (cool & warm season)

11/20/2015 Closing Date

For honey, apples, blue berries, & grapes

Interest Rates:

90-Day Treasury Bill	.125%
Farm Operating Loans - Direct	2.625%
Farm Ownership Loans - Direct	4.00%
Farm Ownership Loans - Direct Down Payment, Beginning Farmer	1.50%
Emergency Loans	3.625%
Farm Storage Facility Loan (7 year)	2.000%
Farm Storage Facility Loan (10 years)	2.250%
Farm Storage Facility Loan (12 years)	2.250%

USDA has partnered with Michigan State University and the University of Illinois to create an online tool at www.fsa.usda.gov/nap that allows producers to determine whether their crops are eligible for federal crop insurance or NAP and to explore the best level of protection for their operation. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production, with higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price available, including coverage for organics and crops marketed directly to consumers. Crops intended for grazing are not eligible for additional NAP coverage.

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.

For more information on NAP, service fees, premiums and sales deadlines, contact your Administrative County Office or visit the web at www.fsa.usda.gov/nap.

COC Election 2015 Dates

Nov. 9 - Ballots mailed to eligible voters

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

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

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

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).

The final planting date for Oats and Wheat is **Nov. 30, 2015**.

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.

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.

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>.

USDA Enrollment Period for Agriculture Risk Coverage and Price Loss Coverage Safety Net Programs Closes Sept. 30

Eligible producers are reminded that enrollment in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for 2014 and 2015 ends **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 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 <http://offices.usda.gov>.

Enrollment for 2016 Dairy Margin Protection Program Ends September 30

Dairy farmers are reminded that the enrollment deadline for the [Margin Protection Program](#) for coverage in 2016 is **Sept. 30, 2015**. The voluntary program, established by the 2014 Farm Bill, provides financial assistance to participating dairy operations when the margin – the difference between the price of milk and feed costs – falls below the coverage level selected by the farmer.

The Margin Protection Program gives participating dairy producers the flexibility to select coverage levels best suited for their operation. Enrollment began July 1 and ends on Sept. 30, 2015, for coverage in 2016. Participating farmers will remain in the program through 2018 and pay a \$100

administrative fee each year. Producers also have the option of selecting a different coverage level during open enrollment each year. Margin Protection Program payments are based on an operation's historical production. An operation's historical production will increase by 2.61 percent in 2016 if the operation participated in 2015, providing a stronger safety net.

USDA also has an online resource available to help dairy producers decide which level of coverage will provide them with the strongest safety net under a variety of conditions. The enhanced Web tool, available at www.fsa.usda.gov/mpptool, allows dairy farmers to quickly and easily combine their unique operation data and other key variables to calculate their coverage needs based on price projections. Producers can also review historical data or estimate future coverage based on data projections. The secure site can be accessed via computer, mobile phone, or tablet, 24 hours a day, seven days a week.

Dairy operations enrolling in the program must meet conservation compliance provisions. Producers participating in the Livestock Gross Margin insurance program may register for the Margin Protection Program, but this new margin program will only begin once their livestock dairy insurance coverage has ended. Producers must also submit form CCC-782 for 2016, confirming their Margin Protection Program coverage level selection, to the local Farm Service Agency (FSA) office. If electing higher coverage for 2016, dairy producers can either pay the premium in full at the time of enrollment or pay a minimum of 25 percent of the premium by Feb. 1, 2016.

For more information, visit FSA online at www.fsa.usda.gov/dairy for more information, or stop by a local FSA office to learn more about the Margin Protection Program. To find a local FSA office in your area, visit <http://offices.usda.gov>.

Cotton Transition Assistance Program Enrollment Underway for 12 Counties in Mississippi

CTAP ONLY APPLIES TO THE FOLLOWING COUNTIES IN MISSISSIPPI: Amite, Clarke, Franklin, Hancock, Jasper, Kemper, Lauderdale, Neshoba, Newton, Pike, Simpson, and Smith

Farmers in eligible counties may enroll in the Cotton Transition Assistance Program (CTAP) through **Sept. 30, 2015**.

CTAP provides interim payments to cotton producers in counties where the Stacked Income Protection Plan (STAX), a new insurance product administered by the Risk Management Agency, is not yet available. Most cotton-producing counties and cotton producers have STAX available and are not eligible for CTAP. A list of counties eligible for CTAP in 2015 is available at www.fsa.usda.gov/Internet/FSA_File/2015_ctap_map_list.pdf.

The Cotton Transition Assistance Program is for farms with former cotton base acres that are physically located in a county where the Stacked Income Protection Plan is unavailable. For the service possible, cotton producers are encouraged to schedule an appointment with FSA early in the application period.

USDA Announces Conservation Incentives for Working Grass, Range and Pasture Lands

Beginning Sept. 1, farmers and ranchers can apply for financial assistance to help conserve working grasslands, rangeland and pastureland while maintaining the areas as livestock grazing lands.

The initiative is part of the voluntary Conservation Reserve Program (CRP), a federally funded program that for 30 years has assisted agricultural producers with the cost of restoring, enhancing and protecting certain grasses, shrubs and trees to improve water quality, prevent soil erosion and reduce loss of wildlife habitat. In return, the U.S. Department of Agriculture (USDA) provides participants with rental payments and cost-share assistance. CRP has helped farmers and ranchers prevent more than 8 billion tons of soil from eroding, reduce nitrogen and phosphorous runoff relative to cropland by 95 and 85 percent respectively, and even sequester 43 million tons of greenhouse gases annually, equal to taking 8 million cars off the road.

The CRP-Grasslands initiative will provide participants who establish long-term, resource-conserving covers with annual rental payments up to 75 percent of the grazing value of the land. Cost-share assistance also is available for up to 50 percent of the covers and other practices, such as cross fencing to support rotational grazing or improving pasture cover to benefit pollinators or other wildlife. Participants may still conduct common grazing practices, produce hay, mow, or harvest for seed production, conduct fire rehabilitation, and construct firebreaks and fences.

With the publication of the CRP regulation today, the Farm Service Agency will accept applications on an ongoing basis beginning Sept. 1, 2015, with those applications scored against published ranking criteria, and approved based on the competitiveness of the offer. The ranking period will occur at least once per year and be announced at least 30 days prior to its start. The end of the first ranking period will be Nov. 20, 2015.

To learn more about participating in CRP-Grasslands or SAFE, visit www.fsa.usda.gov/crp or consult with the local Farm Service Agency county office. To locate a nearby Farm Service Agency office, visit <http://offices.usda.gov>. To learn more about the 30th anniversary of CRP, visit www.fsa.usda.gov/CRPis30 or follow on Twitter using #CRPis30.

USDA Adds More Eligible Commodities for Farm Storage Facility Loans

New Provisions Increase On-Farm Storage for Dairy, Flowers, Meats

FSA's Farm Storage Facility Loan (FSFL) program, which provides low-interest financing to producers to build or upgrade storage facilities, will now include additional eligible commodities.

For 15 years, the FSFL program has provided affordable financing, allowing American farmers and ranchers to construct or expand storage on the farm and by adding eligible commodities; these low-interest loans will help even more family farmers and ranchers to expand on-site storage.

The new commodities eligible for facility loans include floriculture, hops, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Commodities already eligible for the loans 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, and fruits, nuts and vegetables for cold storage facilities.

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>.

2015 General Loan/Loan Deficiency Payments Provisions

Marketing assistance loans and loan deficiency payments (LDP) are authorized for the 2015 crop year. The 2015 crop commodities eligible for loan and LDP regardless of whether produced on a participating or nonparticipating farm are:

Wheat	Rice	Soybeans	Other Oilseeds
Upland Cotton	ELS Cotton	Oats	Corn
Grain Sorghum	Wool	Honey	Dry peas
Lentils	Peanuts	Small Chickpeas	Barley

Hay, silage, and unshorn pelts derived from the above commodities are eligible for LDP, but not for marketing assistance loan.

In addition, producers who graze eligible wheat, oats, barley, and triticale are eligible for LDP-like GRAZE-OUT payments, if the crop is grazed out by livestock and not mechanically harvested. GRAZE-OUT payments only apply at times when an LDP is available on the particular commodity (depending on the posted county price).

Beneficial Interest Requirements

For a commodity to be eligible for a loan or LDP the producer must have beneficial interest in the commodity. Beneficial interest means the producer has complete control of the commodity, and title to the commodity. Once beneficial interest is lost, the commodity is ineligible for loan and LDP, even if beneficial interest is regained. For LDP's producers must maintain beneficial interest from harvest through the date the LDP is requested. For loans producers must maintain beneficial interest from harvest through the date the commodity is redeemed from loan, or the Commodity Credit Corporation (CCC) takes title to the commodity.

All producers and landowners who share in the proceeds of the loans or LDP's are encouraged to sign Form CCC-633 EZ, Page 1 prior to harvest. Signing this form prior to loss of beneficial interest protects the producer or landowner if loan or LDP benefits are not requested prior to loss of beneficial interest. Signing the form does not take away any option to request a commodity loan or an LDP.

General Provisions

To be eligible for loans and LDP's producers must certify and comply with the following:

1. Highly Erodible Land Conservation/Wetland Conservation Provisions (HELWC/WC)
2. Planted acreage reports must be filed for all crops and must account for all cropland
3. Must not violate controlled substance provisions
4. Must comply with Adjusted Gross Income provisions (AGI)

Loans

All commodities pledged for CCC loan must be free and clear of all liens, judgments, and other encumbrances. If not, lien waivers must be provided. Commodities pledged for CCC loan must be stored in approved on-farm storage or in approved State or federally licensed warehouses. Producers are responsible for maintaining the storability and quality of commodities mortgaged to CCC and stored on the farm. Also, producers MUST obtain permission from FSA BEFORE moving, delivering to buyers, selling, or feeding commodities mortgaged to CCC. Severe penalties apply for non-compliance with this regulation.

Loan Deficiency Payments (LDP's)

LDP's are payments made to producers who, although eligible to obtain a CCC loan, agree to forgo the loan in return for a payment on the eligible quantity. LDP's are available when the CCC determined value (loan repayment rate) falls below the loan rate for the commodity.

Debt Collection Improvement Act (DCIA) Requirements

As required by the DCIA, producers that owe a delinquent nontax debt to the Federal Government are ineligible to receive a commodity loan and/or LDP. Producers may resolve the Federal debt and become eligible to receive a commodity loan and/or LDP.

Payment Limitations

The total amount of payments received directly or indirectly, by a person or legal entity (except a joint venture or general partnership) for the crop year for Price Loss Coverage (PLC), Agriculture Risk Coverage (ARC), marketing loan gains or LDP payments for all loan commodities, other than peanuts, may not exceed \$125,000. A person or legal entity that receives payments for peanuts has a separate \$125,000 payment limitation for PLC, ARC, marketing loan gains and LDP's.

Locking-In Repayment Rates

Producers with outstanding CCC loans may "lock-in" the repayment rate by completing form CCC-697. The locking-in of the repayment rate is allowed for all commodities except cotton.

The CCC-697 (lock-in) expires the earlier of 60 days after it is executed, or 14 days before the loan matures. Specific quantities of a commodity can be "locked-in" only once. For specific quantities locked-in and not repaid during the lock-in period, the repayment rate for that specific quantity cannot be locked-in again. Also, for warehouse stored loans, the request to lock-in the repayment rate must cover entire warehouse receipt quantities.

Final Loan/LDP Availability Date

The final date to request a loan or LDP for the 2015 crop commodities commonly produced in Mississippi is as follows:

- cotton, rice, soybeans, corn, grain sorghum May 31, 2016
- wheat, oats, honey March 31, 2016
- wool, peanuts, unshorn pelts, January 31, 2016

Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program (ELAP)

The Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) provides emergency assistance to eligible livestock, honeybee, and farm-raised fish producers who

have losses due to an adverse weather or other conditions, such as blizzards and wildfires, not covered by other agricultural disaster assistance programs.

Eligible livestock losses include grazing losses not covered under the Livestock Forage Disaster Program (LFP), loss of purchased feed and/or mechanically harvested feed due to an eligible adverse weather event, additional cost of transporting water because of an eligible drought and additional cost associated with gathering livestock to treat for cattle tick fever.

Eligible honeybee losses include loss of purchased feed due to an eligible adverse weather event, cost of additional feed purchased above normal quantities due to an eligible adverse weather condition, colony losses in excess of normal mortality due to an eligible weather event or loss condition, including CCD, and hive losses due to eligible adverse weather.

Eligible farm-raised fish losses include bait and game fish death losses in excess of normal mortality and/or loss of purchased feed due to an eligible adverse weather event.

Producers who suffer eligible livestock, honeybee, or farm-raised fish losses from October 1, 2014 to September 30, 2015 must file:

- A notice of loss the earlier of 30 calendar days of when the loss is apparent or by November 1, 2015
- An application for payment by November 1, 2015.

The Farm Bill caps ELAP disaster funding at \$20 million per federal fiscal year.

The following ELAP Fact Sheets (by topic) are available online:

- ELAP for Farm-Raised Fish Fact Sheet
- ELAP for Livestock Fact Sheet
- ELAP for Honeybees Fact Sheet.

To view these and other FSA program fact sheets, visit the FSA fact sheet web page at www.fsa.usda.gov/factsheets.

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 \$1,392,000. 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.

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.

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).
