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Farm Service Agency Electronic News Service

NEWSLETTER

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New York State FSA Newsletter

New York State Farm Service Agency

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www.fsa.usda.gov/ny

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Farm Loan Chief:

Comments from the SED

Summer is officially just around the corner, even though its felt like summer for a while in some parts of the state. For FSA, summer means acreage reporting. Don't forget to get into your local office by July 16th to report your acres of corn, soybeans and most other crops. There is more information on this deadline in a story below.

If you're a dairy farmer like me, hopefully you've talked to your local office about the improved MPP-Dairy coverage. I know lots of producer across the state are relieved to be getting their premium checks now. If you haven't signed up, USDA announced one last sign-up deadline extension! You now have until June 22nd to get into an office and fill out the paperwork. There will be no register for this deadline, you must get into the office by next Friday to be eligible. Farms making 20 million pounds of milk a year or less could be eligible for a payment larger than the premium costs.

Another set of programs recently improved are the disaster programs for livestock and honeybees. If you lost animals or bees in 2017 or 2018 from a weather related event, make sure you contact your local office and find out if you are eligible for payments. The late file deadline for both years has been extended to August 4th. Normally you just have 30 days from the time of the loss to make a claim. There is more information on these two

John Liddington

programs in the first story below.

To find contact information for Enjoy the summer weather! your local office go to www.fsa.usda.gov/ny

Clark Putman

NY FSA State Executive Director

USDA Reopens Application Period for Honey Bee and **Livestock Producers Recovering from Disasters**

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

The U.S. Department of Agriculture (USDA) will begin 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.

Beginning June 4, 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.

2018 Acreage Reporting Dates

In order to comply with FSA program eligibility requirements, all producers are encouraged to visit their local FSA office to file an accurate crop certification report by the applicable deadline.

The following acreage reporting dates are applicable for New York:

July 16 -- Corn, Soybeans and most other crops

November 15 -- Grasses, Mixed Forage, Clover, Alfalfa, & Fall Seeded Small Grains

December 3 -- Maple Sap

The following exceptions apply to the above acreage reporting dates:

- If the crop has not been planted by the above acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is completed.
- If a producer acquires additional acreage after the above acreage reporting date, then the acreage must be reported no later than 30 calendar days after purchase or acquiring the lease. Appropriate documentation must be provided to the county office.
- If a perennial forage crop is reported with the intended use of "cover only," "green manure," "left standing," or "seed," then the acreage must be reported by July 15th.

Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP covered crops is the earlier of the dates listed above or 15 calendar days before grazing or harvesting of the crop begins.

For questions regarding crop certification and crop loss reports, contact your local FSA office. To find your local FSA office, visit http://offices.usda.gov.

Producers are Encouraged to 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 for some programs.

Producers should 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).

Contact your local FSA office for a list of final planting dates by crop.

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.

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. 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.

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.

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.

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 may enroll for the 2018 crop year. The enrollment period will end on Aug. 1, 2018.

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 and wheat. Upland cotton is no longer a covered commodity. 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 http://offices.usda.gov.

Using FSA Direct Farm Ownership Loans for Construction

The USDA Farm Service Agency's (FSA) <u>Direct Farm Ownership loans</u> are a resource to help farmers and ranchers become owner-operators of family farms, improve and expand current operations, increase agricultural productivity, and assist with land tenure to save farmland for future generations.

Depending on the applicant's needs, there are three types of Direct Farm Ownership Loans: regular, down payment and joint financing. FSA also offers a <u>Direct Farm Ownership Microloan</u> option for smaller financial needs up to \$50,000.

Amongst other purposes, Direct Farm Ownership Loans can be used to construct, purchase or improve farm dwellings, service buildings or other facilities and improvements essential to an operation.

To do this, applicants must provide FSA with an estimate of the total cost of all planned development that completely describe the work, prior to loan approval and must show proof of sufficient funds to pay for the total cost of all planned development at or before loan closing. In some instances, applicants may be asked to provide certified plans, specifications or contract documents. The applicant cannot incur any debts for materials or labor or make any expenditures.

for development purposes prior to loan closing with the expectation of being reimbursed from FSA funds.

Construction and development work may be performed either by the contract method or the borrower method. Under the contract method, construction and development contractors perform work according to a written contract with the applicant or borrower. An applicant for a direct loan to finance a construction project must obtain a surety bond that guarantees both payment and performance in the amount of the construction contract from a construction contractor.

A surety bond is required when a contract exceeds \$100,000, an authorized agency official determines that a surety bond appears advisable to protect the borrower against default of the contractor or a contract provides for partial payments in excess of the amount of 60 percent of the value of the work in place.

Under the borrower method, the applicant or borrower will perform the construction and development work. The borrower method may only be used when the authorized agency official determines, based on information from the applicant, that the applicant possesses or arranges to obtain the necessary skill and managerial ability to complete the work satisfactorily and that such work will not interfere with the applicant's farming operation or work schedule.

Potential applicants should visit with FSA early in the initial project planning process to ensure environmental compliance.

For more eligibility requirements and information about FSA Loan programs, contact your local FSA office or visit www.fsa.usda.gov. To find your local FSA office, visit http://offices.usda.gov.

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 <u>Farm Service Agency</u> (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 <u>farm ownership</u> 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, <u>apply here.</u> For more information about USDA programs, visit <u>newfarmers.usda.gov/veterans</u> or <u>https://www.farmers.gov</u>.

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 is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: LISDA 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).





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