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Farm Service Agency **Electronic News Service**

NEWSLETTER

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Rhode Island FSA Newsletter

Rhode Island Farm Service Agency

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www.fsa.usda.gov/ri

State Executive Director: W. Michael Sullivan, PhD.

State Committee: Doreen Pezza, Ellen Puccetti, Kevin Breene, David Frerichs, Judy Carvalho

The State Committee meets the second Wednesday of every month subject to change.

County Office: 401-828-3120 Option 2.

County Executive Director: Sheryl Michener

Message from the State Executive Director

I'd start with acknowledging Nancy Becker from the County Office, for reminding me about upcoming deadlines and thus all of you who might read these notes....

Signup dates for our **NAP – NON-INSURED CROP DISASTER ASSISTANCE PROGRAM** are rapidly approaching.

The enrollment period for perennial and specialty crops like turfgrass sod for the 2020 NAP crop year has begun. If you choose to enroll the following crops, the deadline is **Wednesday November 20, 2019**.

- All Grass, Mixed Forage, and Alfalfa also turfgrass sod
- Fruit and Nut Trees
- Perennial Crops-Asparagus, Blueberries, Caneberries, Cranberries, Currents, Grapes*, Gooseberries, Peaches**, Pears, Rhubarb, Strawberries, and Stone Fruit.

Grapes are insurable in all Counties except Newport County

Peaches are insurable in Bristol and Newport Counties only.

Those of you producing Honey or Maple Sap have until **Monday December 2, 2019** to enroll for those programs. Those of you who have called, emailed and even stopped in with expressions of interest in '**hemp**' are going to have to wait for more events,

County Committee: Kim Coulter, Victor Hoogendoorn, Joseph Silveira, Joseph Polseno, Vincent Confreda

The County Committee meets the first Wednesday of every month subject to change.

agreements and details. The USDA has released an 'interim' rule and we expect a 'final' sometime in early 2020.

An important part of the program is the need for an agreement between the State and Federal government (USDA) about how each program is conducted. A State could allow growers to produce 'hemp' without this agreement but if a producer were to 'move' hemp interstate without a State/Federal agreement in place they could be pursued for interstate violations of law.

The DBR has a draft rule under consideration and is actively engaged in the conversation and expressing the desire to bring closure to the production, processing and testing rules as soon as possible. The USDA FSA staff and I will try to keep our producers informed as quickly and completely as we can on this emerging issue.

An important set of conversations ongoing right now are occurring between RI DEM Agriculture, USDA Natural Resources Conservation Service, USDA Farm Services Agency and RI Department of Business Regulation (DBR). Rhode Island is unique in that the authority to promulgate rules for this specialty 'ag' crop was given to the DBR by the General Assembly.

USDA Opens Signup for Market Facilitation Program

Signup is ongoing for the Market Facilitation Program (MFP), a U.S. Department of Agriculture (USDA) program to assist farmers who continue to suffer from damages because of unjustified trade retaliation from foreign nations. Through MFP, USDA will provide up to \$14.5 billion in direct payments to impacted producers, part of a broader trade relief package announced in late July. The sign-up period runs through **Dec. 6, 2019**.

MFP payments will be made to producers of certain non-specialty and specialty crops as well as dairy and hog producers.

Non-Specialty Crops

MFP payments will be made to producers of alfalfa hay, barley, canola, corn, crambe, dried beans, dry peas, extra-long staple cotton, flaxseed, lentils, long grain and medium grain rice, millet, mustard seed, oats, peanuts, rapeseed, rye, safflower, sesame seed, small and large chickpeas, sorghum, soybeans, sunflower seed, temperate japonica rice, triticale, upland cotton, and wheat.

MFP assistance for 2019 crops is based on a single county payment rate multiplied by a farm's total plantings to the MFP-

eligible crops in aggregate in 2019. Those per acre payments are not dependent on which of those crops are planted in 2019. A producer's total payment-eligible plantings cannot exceed total 2018 plantings. [View payment rates by county.](#)

Dairy and Hogs

Dairy producers who were in business as of June 1, 2019, will receive a per hundredweight payment on production history, and hog producers will receive a payment based on the number of live hogs owned on a day selected by the producer between April 1 and May 15, 2019.

Specialty Crops

MFP payments will also be made to producers of almonds, cranberries, cultivated ginseng, fresh grapes, fresh sweet cherries, hazelnuts, macadamia nuts, pecans, pistachios, and walnuts. Each specialty crop will receive a payment based on 2019 acres of fruit or nut bearing plants, or in the case of ginseng, based on harvested acres in 2019.

More Information

Payments will be made in up to three tranches, with the second and third tranches evaluated as market conditions and trade opportunities dictate. If conditions warrant, the second and third tranches will be made in November and early January.

MFP payments are limited to a combined \$250,000 for non-specialty crops per person or legal entity. MFP payments are also limited to a combined \$250,000 for dairy and hog producers and a combined \$250,000 for specialty crop producers. However, no applicant can receive more than \$500,000. Eligible applicants must also have an average adjusted gross income (AGI) for tax years 2015, 2016, and 2017 of less than \$900,000, or 75 percent of the person's or legal entity's average AGI for those tax years must have been derived from farming and ranching. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.

More information can be found on farmers.gov/mfp, including payment information and a program application.

The 2019 Farm Service Agency County Committee Elections will begin on Nov. 4, when ballots are mailed to eligible voters. The deadline to return the ballots to local FSA offices, or to be postmarked, is Dec. 2, 2019.

County committee members are an important component of the operations of FSA and provide a link between the agricultural community and USDA. Farmers and ranchers elected to county committees help deliver FSA programs at the local level, applying their knowledge and judgment to make decisions on commodity price support programs; conservation programs; incentive indemnity and disaster programs for some commodities; emergency programs and eligibility. FSA committees operate within official regulations designed to carry out federal laws.

To be an eligible voter, farmers and ranchers must participate or cooperate in an FSA program. A person who is not of legal voting age but supervises and conducts the farming operations of an entire farm, may also be eligible to vote.

Eligible voters in eligible local administrative areas (LAA's) who do not receive a ballot can obtain one from their local USDA Service Center.

Newly elected committee members will take office Jan. 1, 2020.

The candidates in this year's election are:

LAA 5 Bristol County:

John Sousa has been nominated to represent LAA 5, Bristol County, to serve as a committee member for a 3-year term. Sousa resides in Warren and has operated a beef and hay operation for 20 years.

Liying Peng has been nominated to represent LAA 5, Bristol County, to serve as a committee member for a 3-year term. Peng resides in Barrington RI and is a beekeeper.

LAA-2 Kent County:

Vincent Confreda has been nominated to represent LAA 2, Kent County, to serve as a committee member for another 3-year term. Confreda began his farming career starting at the age of 9. Farming since 1922, Confreda Farms is one of the oldest and largest commercial vegetable farms in the state of Rhode Island.

Gilbert Rathbun Jr has been nominated to represent LAA 2, Kent County, to serve as a committee member for a 3-year term. Rathbun Jr is a third generation farmer from West Greenwich RI now primarily raising feeder pigs and hay. He has been a previous member of the RI County Committee serving different terms since 1995.

LAA-4 Newport County:

George Goulart Jr has been nominated to represent LAA 4, Newport County, to serve as committee member for a 3-year term. Goulart Jr is a native of Little Compton. Goulart Jr grew up involved in the chores associated with his father's dairy farm. He eventually purchased his father's farm where he has operated a successful nursery operation and now help's his son run the business. Goulart Jr has previously served on the RI County Committee and he has dedicated

many years to the agency and continues his efforts supporting future farm growth throughout the state.

For more information on county committees, such as the new 2019 fact sheet can be found on the FSA website at fsa.usda.gov/elections or at a local service center.

USDA Announces Buy-Up Coverage Availability and New Service Fees for Noninsured Crop Coverage Policies

USDA's Farm Service Agency (FSA) announced that higher levels of coverage will be offered through the Noninsured Crop Disaster Assistance Program (NAP), a popular safety net program, beginning April 8, 2019. The 2018 Farm Bill also increased service fees and made other changes to the program, including service fee waivers for qualified military veterans interested in obtaining NAP coverage.

NAP provides financial assistance to producers of commercial crops for which insurance coverage is not available in order to protect against natural disasters that result in lower yields or crop losses, or prevent crop planting.

NAP Buy-Up Coverage Option

The 2018 Farm Bill reinstates higher levels of coverage, from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price. Producers of organics and crops marketed directly to consumers also may exercise the "buy-up" option to obtain NAP coverage of 100 percent of the average market price at the coverage levels of between 50 and 65 percent of expected production. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

Buy-up coverage is not available for crops intended for grazing.

NAP Service Fees

For all coverage levels, the new NAP service fee is the lesser of \$325 per crop or \$825 per producer per county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties. These amounts reflect a \$75 service fee increase for crop, county or multi-county coverage. The fee increases apply to obtaining NAP coverage on crops on or after April 8, 2019.

NAP Enhancements for Qualified Military Veterans

The 2018 Farm Bill NAP amendments specify that qualified veteran farmers or ranchers are now eligible for a service fee waiver and premium reduction, if the NAP applicant meets certain eligibility criteria.

Beginning, limited resource and targeted underserved farmers or ranchers remain eligible for a waiver of NAP service fees and premium reduction when they file form CCC-860, "*Socially Disadvantaged, Limited Resource and Beginning Farmer or Rancher Certification.*"

For NAP application, eligibility and related program information, visit www.fsa.usda.gov/nap or contact your local USDA Service Center. To locate your local FSA office, visit www.farmers.gov.

Higher Limits Now Available on USDA Farm Loans

Higher limits are now available for borrowers interested in USDA's farm loans, which help agricultural producers purchase farms or cover operating expenses. The 2018 Farm Bill increased the amount that producers can borrow through direct and guaranteed loans available through USDA's Farm Service Agency (FSA) and made changes to other loans, such as microloans and emergency loans.

Key changes include:

- The Direct Operating Loan limit increased from \$300,000 to \$400,000, and the Guaranteed Operating Loan limit increased from \$ 1.429 million to \$1.75 million. Operating loans help producers pay for normal operating expenses, including machinery and equipment, seed, livestock feed, and more.
- The Direct Farm Ownership Loan limit increased from \$300,000 to \$600,000, and the Guaranteed Farm Ownership Loan limit increased from \$1.429 million to \$1.75 million. Farm ownership loans help producers become owner-operators of family farms as well as improve and expand current operations.
- Producers can now receive both a \$50,000 Farm Ownership Microloan and a \$50,000 Operating Microloan. Previously, microloans were limited to a combined \$50,000. Microloans provide flexible access to credit for small, beginning, niche, and non-traditional farm operations.
- Producers who previously received debt forgiveness as part of an approved FSA restructuring plan are now eligible to apply for emergency loans. Previously, these producers were ineligible.
- Beginning and socially disadvantaged producers can now receive up to a 95 percent guarantee against the loss of principal and interest on a loan, up from 90 percent.

About Farm Loans

Direct farm loans, which include microloans and emergency loans, are financed and serviced by FSA, while guaranteed farm loans are financed and serviced by commercial lenders. For guaranteed loans, FSA provides a guarantee against possible financial loss of principal and interest.

For more information on FSA farm loans, visit www.fsa.usda.gov or contact your [local USDA service center](#).

USDA Opens 2020 Enrollment for Dairy Margin Coverage Program; Ends Dec. 13, 2019

Dairy producers can now enroll in the [Dairy Margin Coverage \(DMC\)](#) for calendar year 2020. USDA's Farm Service Agency (FSA) opened signup for the program that helps producers manage economic risk brought on by milk price and feed cost disparities.

The DMC program offers reasonably priced protection to dairy producers when the difference between the all-milk price and the average feed cost (the margin) falls below a certain dollar amount selected by the producer. The deadline to enroll in DMC for 2020 is Dec. 13, 2019.

Dairy farmers earned more than \$300 million dollars from the program in 2019 so far. Producers are encouraged to take advantage of this very important risk management tool for 2020.

All producers who want 2020 coverage, even those who took advantage of the 25 percent premium discount by locking in the coverage level for five years of margin protection coverage are required to visit the office during this signup period to pay the annual administrative fee.

Dairy producers should definitely consider coverage for 2020 as even the slightest drop in the margin can trigger payments.

More Information

The 2018 Farm Bill created DMC, improving on the previous safety net for dairy producers. DMC is one of many programs that FSA and other USDA agencies are implementing to support America's farmers.

For more information on enrolling in DMC and taking advantage of an online dairy decision tool that assists producers in selecting coverage for 2020, visit the [DMC webpage](#).

For additional questions and assistance, contact your local USDA service center. To locate your local FSA office, visit farmers.gov/service-locator.

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).

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