### March 2017



### Farm Service Agency



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# South Carolina Farm Service Agency March Newsletter

### South Carolina Farm Service Agency

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#### www.fsa.usda.gov/sc

#### **State Committee:**

Robert Battle, Chairperson Warren Dixon Mary Frances Koon Don Sharp Tom Trantham

### USDA Expands Grasslands Conservation Program to Small-Scale Livestock Producers

Helping Dairy, Beef and Other Producers Protect Working Grasslands in 43 States

USDA will accept over 300,000 acres in 43 states that were offered by producers during the recent ranking period for the Conservation Reserve Program (CRP) Grasslands enrollment with emphasis placed on small-scale livestock operations. Through the voluntary CRP Grasslands program, grasslands threatened by development or conversion to row crops are maintained as livestock grazing areas, while

**Acting State Executive** 

Director:

W. Jack Nettles

providing important conservation benefits.

Approximately 200,000 of the accepted acres were

offered by small-scale livestock operations.

**Administrative Officer:** 

Toni Turner

**Farm Programs Chief:** 

Amy Turner

Acting Farm Loan Programs Chief:

Larry Rogers

Producers can contact their <u>local FSA Office</u> for more information or to schedule an appointment. The most recent ranking period closed on Dec. 16,

2016, and included for the first time a CRP

Grasslands practice specifically tailored for smallscale livestock grazing operations to encourage broader participation. Under this ranking period and for future periods, small-scale livestock

and for future periods, small-scale livestock operations with 100 or fewer head of grazing cows (or the equivalent) can submit applications to enroll up to 200 acres of grasslands per farm. Larger

operations may still make offers through the normal process. USDA met its goal of 200,000 acres under this small-scale initiative. The new practice for small-scale livestock grazing operations encourages greater diversity geographically and in all types of livestock operations. Visit http://go.usa.gov/x9PFS to view

the complete list of acres accepted by state.

Participants in CRP Grasslands establish or maintain long-term, resource-conserving grasses and other plant species to control soil erosion, improve water quality and develop wildlife habitat on marginally productive agricultural lands. CRP Grasslands participants can use the land for livestock production (e.g. grazing or producing hay), while following their conservation and grazing plans in order to maintain the cover.

Small livestock operations or other farming and ranching operations interested in participating in CRP Grasslands should contact their local FSA office. To learn more about FSA's conservation programs, visit <a href="https://www.fsa.usda.gov/conservation">www.fsa.usda.gov/conservation</a>.

### **Payment Limitations by Program**

The 2014 Farm Bill established a maximum dollar amount for each program that can be received annually, directly or indirectly, by each person or legal entity. Payment limitations vary by program for 2014 through 2018.

Below is an overview of payment limitations by program.

#### **Commodity and Price Support Programs**

The annual limitation for the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs, Loan Deficiency Payments (LDPs) and Market Loan Gains is \$125,000 each.

### **Conservation Programs**

The Conservation Reserve Program (CRP) annual rental payment and incentive payment is limited to \$50,000. CRP contracts approved before Oct. 1, 2008, may exceed the limitation, subject to payment limitation rules in effect on the date of contract approval.

The Emergency Conservation Program (ECP) has an annual limit of \$200,000 per disaster event. The Emergency Forest Restoration Program (EFRP) has an annual limit of \$500,000 per disaster event.

### **Disaster Assistance Programs**

The annual limitation of \$125,000 applies to the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP), Livestock Forage Disaster Program (LFP), Livestock Indemnity Program (LIP), Noninsured Crop Disaster Assistance Program (NAP) and Tree Assistance Program (TAP). The total payments received under ELAP, LFP and LIP may not exceed \$125,000. A separate limitation applies to TAP payments.

Payment limitations also apply to Natural Resources Conservation Service (NRCS) programs. Contact your local NRCS office more information.

For more information on FSA payment limitations by program, visit <a href="https://www.fsa.usda.gov/Assets/USDA-FSA-">https://www.fsa.usda.gov/Assets/USDA-FSA-</a>
Public/usdafiles/FactSheets/2015/payment eligibility payment limitations.pdf.

## **New Actively Engaged Provisions for Non-Family Joint Operations or Entities**

Many Farm Service Agency programs require all program participants, either individuals or legal entities, to be "actively engaged in farming". This means participants provide a significant contribution to the farming operation, whether it is capital, land, equipment, active personal labor and/or management. For entities, each partner, stockholder or member with an ownership interest, must contribute active personal labor and/or management to the operation on a regular basis.

The 2014 Farm Bill established additional payment eligibility provisions relating to the farm management component of meeting "actively engaged in farming". These new provisions apply to joint operations comprised of non-family members or partners, stockholders or persons with an ownership in the farming operation. Effective for 2016 and subsequent crop years, non-family joint operations are afforded to one member that may use a significant contribution of active personal management exclusively to meet the requirements to be determined "actively engaged in farming". The person or member will be defined as the Farm Manager for the purposes of administering these new management provisions.

In some instances, additional persons or members of a non-family member joint operation who meet the definition of Farm Manager may also be allowed to use such a contribution of active personal management to meet the eligibility requirements. However, under no circumstances may the number of Farm Managers in a non-family joint operation exceed a total of three in any given crop and program year.

### **Cover Crop Guidelines**

Recently the Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS) and Risk Management Agency (RMA) worked together to develop consistent, simple and a flexible policy for cover crop practices.

The termination and reporting guidelines were updated for cover crops.

#### Termination:

The cover crop termination guidelines provide the timeline for terminating cover crops, are based on zones and apply to non-irrigated cropland. To view the zones and additional guidelines visit <a href="https://www.nrcs.usda.gov/wps/portal/nrcs/main/national/landuse/crops/">https://www.nrcs.usda.gov/wps/portal/nrcs/main/national/landuse/crops/</a> and click "Cover Crop Termination Guidelines."

### Reporting:

The intended use of cover only will be used to report cover crops. This includes crops

that were terminated by tillage and reported with an intended use code of green manure. An FSA policy change will allow cover crops to be hayed and grazed. Program eligibility for the cover crop that is being hayed or grazed will be determined by each specific program.

If the crop reported as cover only is harvested for any use other than forage or grazing and is not terminated properly, then that crop will no longer be considered a cover crop.

Crops reported with an intended use of cover only will not count toward the total cropland on the farm. In these situations a subsequent crop will be reported to account for all cropland on the farm.

Cover crops include grasses, legumes, and forbs, for seasonal cover and other conservation purposes. Cover crops are primarily used for erosion control, soil health Improvement, and water quality improvement. The cover crop may be terminated by natural causes, such as frost, or intentionally terminated through chemical application, crimping, rolling, tillage or cutting. A cover crop managed and terminated according to NRCS Cover Crop Termination Guidelines is **not** considered a crop for crop insurance purposes.

Cover crops can be planted: with no subsequent crop planted, before a subsequent crop, after prevented planting acreage, after a planted crop, or into a standing crop.

### Farmers to Receive Documentation of USDA Services

Farm Service Agency (FSA) reminds agricultural producers that FSA provides a receipt to customers who request or receive assistance or information on FSA programs.

The 2014 Farm Bill requires a customer receipt to be issued for any agricultural program assistance requested from FSA, the National Resources Conservation Service (NRCS) and Rural Development (RD). Receipts include the date, summary of the visit and any agricultural information, program and/or loan assistance provided to an individual or entity. Electronic receipts for acreage reports began on Aug. 1, 2016.

A service is any information, program or loan assistance provided whether through a visit, email, fax or letter.

### 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.

## USDA Packages Disaster Protection with Loans to Benefit Specialty Crop and Diversified Producers

Free basic coverage and discounted premiums available for new and underserved loan applicants

Producers who apply for FSA farm loans will be offered the opportunity to enroll in new disaster loss protections created by the 2014 Farm Bill. The new coverage, available from the Noninsured Crop Disaster Assistance Program (NAP), is available to FSA loan applicants who grow non-insurable crops, so this is especially important to fruit and vegetable producers and other specialty crop growers.

New, underserved and limited income specialty growers who apply for farm loans could qualify for basic loss coverage at no cost, or higher coverage for a discounted premium.

The basic disaster coverage protects at 55 percent of the market price for crop losses that exceed 50 percent of production. Covered crops include "specialty" crops, for instance, vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, hay, forage, grazing and energy crops. FSA allows beginning, underserved or limited income producers to obtain NAP coverage up to 90 days after the normal application closing date when they also apply for FSA credit.

In addition to free basic coverage, beginning, underserved or limited income producers are eligible for a 50 percent discount on premiums for the higher levels of coverage that protect up to 65 percent of expected production at 100 percent of the average market price. Producers also may work with FSA to protect value-added production, such as organic or direct market crops, at their fair market value in those markets. Targeted underserved groups eligible for free or discounted coverage are American Indians or Alaskan Natives, Asians, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, Hispanics, and women.

FSA offers a variety of loan products, including farm ownership loans, operating loans and microloans that have a streamlined application process.

Growers need not apply for an FSA loan, nor be a beginning, limited resource, or underserved farmer, to be eligible for Noninsured Crop Disaster Assistance Program assistance. To learn more, visit <a href="https://offices.usda.gov/nap">www.fsa.usda.gov/nap</a> or <a href="https://offices.usda.gov/nap">www.fsa.usda.gov/nap</a> or <a href="https://offices.usda.gov">www.fsa.usda.gov/farmloans</a>, or contact your local FSA office at <a href="https://offices.usda.gov">https://offices.usda.gov</a>.

### **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 Seeks Partner Proposals to Protect, Restore Critical Wetlands in South Carolina

Up to \$15 million in technical and financial assistance to help eligible conservation partners

Restored wetlands improve water quality downstream and improve wildlife habitat, while also providing flood prevention and recreational benefits to communities, and the funding will be provided through the Wetland Reserve Enhancement Partnership (WREP), part of the Agricultural Conservation Easement Program (ACEP). The U.S. Department of Agriculture (USDA) is investing up to \$15 million in technical and financial assistance through a Farm Bill conservation program to help eligible conservation partners voluntarily protect, restore and enhance critical wetlands on agricultural lands.

The partnership is administered by USDA's Natural Resources Conservation Service (NRCS), the leading federal agency for wetland conservation on private lands. Through WREP, states, local units of governments, non-governmental organizations and American Indian tribes collaborate with NRCS through cooperative and partnership agreements. These partners work with tribal and private landowners who voluntarily enroll eligible land into easements to protect, restore and enhance wetlands on their properties.

Easements enable landowners to adopt a variety of conservation practices that improve the function and condition of wetlands. The voluntary nature of NRCS' easement programs enables effective integration of wetland restoration on working landscapes, providing benefits to farmers and ranchers who enroll in the program, as well as benefits to the local and rural communities where the wetlands exist.

This year, NRCS is encouraging partners to propose projects that focus on improving water quality as well as habitat on working landscapes in high-priority areas, ranging from the sagebrush of the West to the Chesapeake Bay. A number of at-risk species rely on wetlands, including the American black duck, bog turtle, wood turtle, spotted turtle, Blandings turtle and greater sage-grouse as well as a variety of mussel and fish species.

Proposals must be submitted to the NRCS state office in South Carolina at 1835 Assembly St., Room 950, Columbia, SC 29201, by **April 24**. More information is available on the <u>ACEP webpage</u>.

To learn more about financial and technical assistance available to help South Carolina farmers and other landowners improve and protect their land, visit NRCS in South Carolina's website at <a href="https://www.sc.nrcs.usda.gov">www.sc.nrcs.usda.gov</a>, or visit your local NRCS office. USDA service center locations are listed at <a href="https://offices.usda.gov">https://offices.usda.gov</a>.

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