December 2017





Farm Service Agency Electronic News Service

NEWSLETTER

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South Carolina Farm Service Agency Newsletter

South Carolina Farm Service Agency

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www.fsa.usda.gov/sc

State Executive Director: Boone Peeler

A Message from the State Executive Director

As 2017 comes to a close, we look back on a great year in agriculture in the state of South Carolina. Thank you for your hard work, dedication, and commitment to SC agriculture, the state's number one industry. I look forward to working with and for you, our state's farmers, ranchers and agricultural land owners, in the new year.

As a reminder, as you work toward finalizing arrangements for the acres you will farm or ranch next year, we ask that you remember any changes from the previous year are an important part of your FSA farm records and your eligibility for some programs. Stop in

State Committee:

Robert Battle, Chairperson Warren Dixon Mary Frances Koon Don Sharp

Administrative Officer:

Toni Turner

Farm Programs Chief:

Amy Turner

Farm Loan Programs Chief:

William Shelley

Producers can contact their local FSA Office for more information or to schedule an appointment.

Important Dates and Deadlines:

December 25: Offices Closed for Christmas Day

<u>January 1:</u> Offices Closed for New Year's Day

January 15: Offices Closed for the Birthday of Martin Luther King, Jr.

January 16: Acreage Reporting Deadline for Apples, Blueberries, Canola, Peaches, and Fall-Seeded Small Grains

January 17-18: SC AgriBiz & Farm Expo - Florence, SC

and see your county FSA office as soon as possible to report these changes.

From all of us at South Carolina FSA, Merry Christmas and Happy New Year.

--Boone Peeler

Farm Service Agency – A Vital Source of Assistance to America's Farmers and Ranchers

Through the work of dedicated staff in over 2,100 county and state offices, the U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) provides vital farm safety-net assistance to agricultural producers across America.

The 'safety net' provided in the 2014 Farm Bill has helped producers withstand economic losses as well as losses resulting from natural disasters. Loans for operating expenses, farm purchases and other purposes help current producers stay in business and allow a new generation of farmers and ranchers get their start.

Agriculture demands working capital. FSA provided credit, either directly or guaranteed through commercial lenders, to 120,000 family farmers across the country.

In fiscal year 2017, USDA <u>Farm Loan Programs</u> pumped \$6 billion in support to a diverse group of producers across America. That was the second highest total in FSA history. Over \$2.5 billion of that total was direct and guaranteed <u>operating loans</u>, and another \$3.5 billion was allocated for direct and guaranteed <u>farm ownership loans</u>. This additional financing enabled farmers and ranchers across the country to access capital to start their operations, or to expand their existing operations. The new lending continued the recent growth in FSA's farm loan portfolio.

FSA highlights from the year include:

Agriculture Risk Coverage and Price Loss Coverage (ARC/PLC) and Conservation Reserve Program (CRP)

- USDA is issuing approximately \$8 billion in payments under the ARC and PLC programs to agricultural producers who suffered market downturns in 2016.
- In 2017, FSA distributed \$1.6 billion in CRP payments to over 375,000 Americans for doing their part in improving water quality, reducing soil erosion and increasing wildlife habitat.

Disaster Assistance

In response to Hurricanes Harvey, Irma and Maria, USDA announced special procedures to assist producers in states and territories who lost crops or livestock or had other damage to their farms or

ranches. Also, because of the severe and widespread damage caused by the hurricanes, USDA provided flexibility to assist farm loan borrowers. FSA dispatched additional staff to the affected areas and, in response to a request for assistance, rolled out a special program providing vouchers to dairy herd owners in Puerto Rico who used the assistance to purchase feed.

USDA also provided extensive assistance for a variety of other disasters throughout the country, including drought in the northern high plains, wildfires in the west and central plains, floods, tornados, freezes and other storms. For example, in July, USDA authorized the use of additional CRP lands for emergency grazing and haying in and around portions of Montana, North Dakota and South Dakota affected by severe drought. USDA also added the ability for farmers and ranchers in those areas to hay and graze CRP wetland and buffer practices. This followed a previous action in April and June to assist the area and provided livestock producers with an additional feed source. In October, FSA teamed with other USDA agencies to provide assistance to wildfire-damaged areas of northern California, including loans and other disaster assistance programs.

New Farmers

In August, Agriculture Secretary Sonny Perdue signed a Memorandum of Understanding with officials from SCORE, the nation's largest volunteer network of expert business mentors, to support new and beginning farmers. The agreement provides new help and resources for beginning ranchers, veterans, women, socially disadvantaged Americans and others, providing new tools to help them both grow and thrive in agri-business.

These accomplishments are in line with Secretary Perdue's goals of maximizing the ability of the men and women of America's agriculture and agribusiness sector to create jobs, prioritizing customer service every day for American taxpayers and consumers and ensuring the food we produce meets the strict safety standards we've established while always remembering that America's agricultural bounty comes directly from the land.

For more information about FSA program, please visit www.fsa.usda.gov or contact your local FSA office. To find an FSA location near you, visit http://offices.usda.gov.

Financial Hardship and Loan Servicing

Many farm loan borrowers' payments are due on Jan. 1. FSA expects and encourages prompt payment. However, for borrowers who cannot make their payments due to adversity such as a natural disaster or production difficulties beyond their control, FSA is committed to providing our farm loan borrowers with the tools necessary to be successful. A part of ensuring this success is providing guidance and counsel from loan or loan servicing application, through the term of your loan, and after. In order for FSA to help, you must alert your local FSA office to any of the following:

- Any proposed or significant changes in the farming operation
- Any significant changes to family income or expenses
- The development of problem situations
- Any losses or proposed significant changes in security

There are options for FSA loan customers during financial stress. If you are a borrower who is unable to make payments on a loan, contact your local FSA Service Center to learn about the options available to you.

If past due on payments, FSA will notify you of your options with a Notice of Availability of Loan Servicing. Please pay special attention to this notice as it provides you with your options for FSA servicing programs and outlines specific deadlines that you must meet. Failure to meet these

statutory deadlines may significantly limit your options and FSA's ability to help address your farm's financial difficulties.

For more information on FSA farm loan programs, visit www.fsa.usda.gov. Please contact your local FSA Service Center if you have any questions or would like to schedule an appointment to meet with the loan staff to discuss your options.

The Census of Agriculture is a Producer's Voice, Future, and Opportunity.

In December farmers and ranchers across the nation will receive the 2017 Census of Agriculture. Producers can mail in their completed census form, or respond online via the improved web questionnaire. The online questionnaire has been revised extensively to make it more convenient for producers.

Conducted once every five years, the census of agriculture is a complete count of all U.S. farms, ranches, and those who operate them; it is the only source of uniform, comprehensive, and impartial agriculture data for every state and county in the nation.

Farmers and ranchers, trade associations, government, extension educators, researchers, and many others rely on census of agriculture data when making decisions that shape American agriculture – from creating and funding farm programs to boosting services for communities and the industry. The census of agriculture is a producer's voice, future, and opportunity.

For more information about the 2017 Census of Agriculture, visit www.agcensus.usda.gov or call (800) 727-9540.

Filing CCC-941 Adjusted Gross Income (AGI) Certifications

Many producers have experienced delays in receiving Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments, Loan Deficiency Payments (LDPs) and Market Gains on Marketing Assistance Loans (MALs) because they have not filed form CCC-941, Adjusted Gross Income Certification. LDPs will not be paid until all eligible producers, including landowners who share in the crop, have filed a valid CCC-941.

Producers without a valid CCC-941 certifying their compliance with the average adjusted gross income provisions will not receive payments that have been processed. All farm operator/tenants/owners who have not filed a CCC-941 and have pending payments should IMMEDIATELY file the form with their recording county FSA office. Farm operators and tenants are encouraged to ensure that their landowners have filed the form. FSA has been issuing 2016 ARC/PLC payments and 2017 CRP payments.

FSA can accept the CCC-941 for 2015, 2016, 2017 and 2018. Unlike the past, producers must have the CCC-941 certifying their AGI compliance before any payments can be issued.

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.

Update Your Records

FSA is cleaning up our producer record database. If you have any unreported changes of address, zip code, phone number, email address or an incorrect name or business name on file they need to be reported to our office. Changes in your farm operation, like the addition of a farm by lease or purchase, need to be reported to our office as well. Producers participating in FSA and NRCS programs are required to timely report changes in their farming operation to the County Committee in writing and update their CCC-902 Farm Operating Plan.

If you have any updates or corrections, please call your local FSA office to update your records.

USDA Encourages Producers to Consider Risk Protection Coverage before Crop Sales Deadlines

The Farm Service Agency encourages producers to examine available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the applicable crop sales deadline.

Producers are reminded that crops not covered by insurance may be eligible for NAP. The 2014 Farm Bill expanded NAP to include higher levels of protection. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage, as well as discounted premiums for additional levels of protection."

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

Producers can determine if crops are eligible for federal crop insurance or NAP by visiting https://webapp.rma.usda.gov/apps/actuarialinformationbrowser2017/CropCriteria.aspx.

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, including coverage for organics and crops marketed directly to consumers.

Deadlines for coverage vary by state and crop. To learn more about NAP visit www.fsa.usda.gov/nap or contact your local USDA Service Center. To find your local USDA Service Centers go to https://offices.usda.gov.

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.

Report Livestock Losses

The Livestock Indemnity Program (LIP) provides assistance to eligible producers for livestock death losses in excess of normal mortality due to adverse weather and attacks by animals reintroduced into the wild by the federal government or protected by federal law. LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to hurricanes, floods, blizzards, wildfires, extreme heat or extreme cold.

For 2017, eligible losses must occur on or after Jan. 1, 2017, and no later than 60 calendar days from the ending date of the applicable adverse weather event or attack. A notice of loss must be filed with FSA within 30 days of when the loss of livestock is apparent. Participants must provide the following supporting documentation to their local FSA office no later than 90 calendar days after the end of the calendar year in which the eligible loss condition occurred.

- Proof of death documentation
- Copy of growers contracts
- Proof of normal mortality documentation

USDA has established normal mortality rates for each type and weight range of eligible livestock. These established percentages reflect losses that are considered expected or typical under "normal" conditions. Producers who suffer livestock losses in 2017 must file both of the following:

- A notice of loss the earlier of 30 calendar days of when the loss was apparent
- An application for payment by March 31, 2018.

Additional Information about LIP is available at your local FSA office or online at: www.fsa.usda.gov.

Nationally Known Speakers to Provide Educational Information at the 6th Annual SC AgriBiz & Farm Expo.

You don't want to miss the 2018 SC AgriBiz & Farm Expo, which will be January 17-18, 2018 at the newly remodeled Florence Civic Center. With lots of space and a new beautiful facility, the Florence Civic Center will be opening their doors for an outstanding Expo. Free admission and parking provides each farmer and rancher the opportunity to come see and learn lots during the two-day expo.

The Farmer Appreciation Breakfast will kick off the Expo and offer the opportunity to express our appreciation to many award winning farmers. Sponsored by AgFirst Farm Credit Banks, this new breakfast will celebrate each farmer while also providing informative and educational information. A panel discussion will address items of major concern to each of you. Discussions will include water issues, immigration, farm bill, as well as pending legislation, which could affect each of our farmers.

Lots of educational opportunities will be available for you to attend.

Just to focus on a few of the topics within the Field Crops Track, you will want to attend the Ag Outlook and Marketing session, led by Dr. Nathan Smith & his team. The Worker Protection Standards Training class will also be offered as well as the Next Generation of Farmers will discuss how they are moving to embrace technology in their day to day operations. On Thursday, Mary Ann Thatcher with the American Farm Bureau Federation will update us on the Farm Bill and how other issues will impact farming operations in the coming months. The field crop track also offers the opportunity to hear from Dr. Ron Heiniger from NC State and Kevin Matthews, an accomplished

high corn and soybean yield producer. Outstanding speakers offer each farmer the opportunity to become informed and knowledgeable about how things will affect your operation, as well as ways to enhance operational output.

As always tickets are available for the Taste of SC and the Commissioner's Breakfast. Visit the website at www.scagribizexpo.com to get your tickets and to learn more about the exceptional educational classes.

We look forward to seeing you in a few short weeks at the SC AgriBiz Expo.

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).