#### **April 2016**



## **Indiana Farm Service Agency Program Updates**

# Indiana State Farm Service Agency

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### From the FSA Farm Fields

#### **Busy Times on the Farm!**

Spring has sprung across Indiana and you – the American farmer– are going 110 MPH trying to fix equipment, apply farm inputs, move livestock to greener pastures, get the crop in the ground, and the list goes on and on. We know this is a very busy time on the farm, and it's easy to get distracted and not put farm safety first. It is important for you to slow down and think about safety on the farm and how it impacts you in so many ways.

Farming is a hazardous profession. Before tractors, horses were the most dangerous pieces of farm equipment. Now, livestock accidents occur, because the farmer is in the "wrong place at the wrong time." Tractors are by far the biggest cause of U.S. farm injuries and deaths. Rollover technology has made current machines safer, but many farmers use older models lacking safety features. Be sure to think about the activity you are performing and the conditions in which you are performing. One of farming's many hazards has to do with the scale of operations. Grinding animal feed can be dangerous. Falling hay and the weight of corn might not seem that scary, but it can be lethal. Think about your surroundings as you are conducting the daily farm chores. One of the most well-known farm dangers is the grain bin. Most incidents involve the farmer entering the bin for maintenance or repair and then suffocating or drowning in the drain. Always use the "buddy system" and have someone with you as you do these routine inspections.

We wish you a safe and productive spring planting season. We know it's a busy time on the farm. Take the time you need to safely accomplish tasks around the farm. Thank you for the work you do to produce a safe and affordable food supply.

Sincerely In Agriculture,

Julia

## 2016 Acreage Reporting Dates

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

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 below or 15 calendar days before grazing or harvesting of the crop begins.

The following acreage reporting dates are applicable for Indiana:

#### January 2

Honey

#### January 15

**Apples** 

#### June 15

Cucumbers (Planted 5/1-5/31 in Knox County)

#### July 15

Cucumbers (Planted 5/10-6/15 in all counties), all other crops

#### August 15

Cucumbers (Planted 6/16-8/5 in Fulton, LaPorte, Porter, and St. Joseph Counties)

#### September 15

Cucumbers (Planted 6/1-8/15 in Knox County)

#### September 30

Value Loss and Controlled Environment Crop (for the coming program year)

#### December 15

Fall Mint, Fall-Seeded Small Grains

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.
- Cucumbers and crops for NAP coverage may have dates not included on the chart above. Visit your local county office for details.

For questions regarding crop certification and crop loss reports, please contact your local county FSA office.

## USDA Expands Safety-Net for Dairy Operations Adding Next-Generation Family Members

Dairy farms participating in the Margin Protection Program (MPP) can now update their production history when an eligible family member joins the operation. The voluntary program, established by the 2014 Farm Bill, protects participating dairy producers when the margin – the difference between the price of milk and feed costs – falls below levels of protection selected by the applicant.

The U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) published a final rule which makes these changes effective on April 13, 2016. Any dairy operation already enrolled in the Margin Protection Program that had an intergenerational transfer occur will have an opportunity to increase the dairy operations production history during the 2017 registration and annual coverage election period. The next election period begins on July 1, 2016, and ends on Sept. 30, 2016. For intergenerational transfers occurring on or after July 1, 2016, notification must be made to the FSA within 60 days of purchasing the additional cows. Each participating dairy operation is authorized one intergenerational transfer at any time of its choosing until 2018.

For \$100 a year, dairy producers can receive basic catastrophic protection that covers 90 percent of milk production at a \$4 margin coverage level. For additional premiums, operations can protect 25 to 90 percent of production history with margin coverage levels from \$4.50 to \$8, in 50 cent increments. Annual enrollment in the program is required in order to receive margin protection. The final rule also provides improved risk protection for dairy farmers that pay premiums to buy-up higher levels of coverage by clarifying that 90 percent of production is covered below the \$4 level even if a lower percentage was selected above the \$4 margin.

Earlier this year, FSA gave producers the opportunity to pay their premium through additional options including via their milk cooperative or handler. This rule facilitates those options and also clarifies that the catastrophic level protection at \$4 will always cover 90 percent of the production history, even if a producer selected a less than a 90 percent percentage for the buy-up coverage.

Assuming current participation, had the Margin Protection Program existed from 2009 to 2014, premiums and fees would have totaled \$500 million while providing producers with \$2.5 billion in financial assistance, nearly \$1 billion more than provided by the old Milk Income Loss Contract program during the same period.

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

## **Enrollment Period for 2016 USDA Safety Net Coverage Ends Aug. 1**

Producers who chose coverage from the safety net programs established by the 2014 Farm Bill, known as the Agriculture Risk Coverage (ARC) or the Price Loss Coverage (PLC) programs, can visit FSA county offices through Aug. 1, 2016, to sign contracts to enroll in coverage for 2016.

Although the choice between ARC and PLC is completed and remains in effect through 2018, producers must still enroll their farm by signing a contract each year to receive coverage.

Producers are encouraged to contact their local FSA office to schedule an appointment to enroll. If a farm is not enrolled during the 2016 enrollment period, producers on that farm will not be eligible for financial assistance from the ARC or PLC programs should crop prices or farm revenues fall below the historical price or revenue benchmarks established by the program.

The two 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 <a href="https://www.fsa.usda.gov/arc-plc">www.fsa.usda.gov/arc-plc</a>.

For more information, producers are encouraged to visit their local FSA office.

## ARC, PLC and CTAP Acreage Maintenance

Producers enrolled in Agriculture Risk Coverage (ARC), Price Loss Coverage (PLC) or the Cotton Transition Assistance Program (CTAP) must protect all cropland and noncropland acres on the farm from wind and water erosion and noxious weeds. Producers who sign ARC county or individual contracts and PLC contracts agree to effectively control noxious weeds on the farm according to sound agricultural practices. If a producer fails to take necessary actions to correct a maintenance problem on a farm that is enrolled in ARC, PLC or CTAP, the County Committee may elect to terminate the contract for the program year.

## **Changing Administrative Counties**

Producers who wish to transfer their farm records to a different administrative county for Fiscal Year (FY) 2016 must file a request no later than August 1, 2016. Restrictions do apply when transferring to an office other than the county in which the land is physically located. Contact your local FSA office for more information.

# 2014, 2015 and 2016 Average Adjusted Gross Income Compliance Reviews

The AGI verification and compliance reviews for 2014, 2015 and 2016 are conducted on producers who the IRS indicated may have exceeded the adjusted gross income limitations described in [7 CFR 1400.500]. Based on this review, producers will receive determinations of eligibility or ineligibility.

If the producer is determined to have exceeded the average AGI limitation of \$900,000, receivables will be established for payments earned directly or indirectly by the producer subject to the \$900,000 limitation. The Indiana FSA Office has begun notifying producers selected for review. If you have any questions about the review process or determinations, please contact the Indiana FSA Office at 317-290-3315. Producers who receive initial debt notification letters may only appeal the amount of the debt to their local FSA office. Payment eligibility adverse determinations become administratively final 30 days from the date of the payment eligibility adverse determination letter and can only be reopened if exceptional circumstances exist that prevented the producer from timely filing the appeal.

# **USDA Establishes New Partnerships to Link Underserved Farmers** to FSA Programs

Minority, Women, New and Beginning, Military Veteran and Urban Producers to Receive Training and Information on Agency Services

USDA announced cooperative agreements with 55 partners to educate farmers and other producers that have been underserved by USDA programs historically about Farm Service Agency (FSA) programs that provide financial, disaster or technical support. Nearly \$2.5 million will go to nonprofits, associations, universities, and foundations that will provide training and information on agricultural best practices, local networking opportunities, and more.

FSA, which solicited applications last fall, received nearly 100 proposals that requested over \$9 million in funding. Cooperative agreements, encompassing more than 28 states, will be between \$20,000 and \$75,000 each and several involve multi-state or national efforts. A list of awardees can be found at <a href="https://www.fsa.usda.gov/outreach">www.fsa.usda.gov/outreach</a>.

FSA is now accepting proposals for consideration in the second evaluation period. Applications are due no later than July 11, 2016. Projects not selected during the first evaluation period will be reconsidered during the second period. Additional information on the funding solicitation and the related FSA programs can be found at <a href="https://www.grants.gov">www.grants.gov</a> using reference number USDA-FSA-CA-2016-001. For nonprofits and public institutions of higher education that are considering participation, a recording of the online informational session held with stakeholders is posted on the web at <a href="https://www.fsa.usda.gov/outreach">www.fsa.usda.gov/outreach</a>.

USDA is also helping producers find an entry into farming through urban agriculture opportunities and the increasing consumer demand for locally-produced items. Under this Administration, USDA has invested more than \$1 billion in over 40,000 local and regional food businesses and infrastructure projects. USDA is committed to helping farmers, ranchers, and businesses access the growing market for local and regional foods, which was valued at \$12 billion in 2014 according to industry estimates. More information on how USDA investments are connecting producers with consumers and expanding rural economic opportunities is available in Chapter IV of USDA Results on Medium.

## **Loans for Targeted Underserved Producers**

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or to purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, FSA has provided priority funding for members of targeted underserved groups.

A targeted underserved applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, targeted underserved groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

## **Beginning Farmer Loans**

FSA assists beginning farmers to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county's average size farm.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit <a href="https://www.fsa.usda.gov">www.fsa.usda.gov</a>.

## **USDA Regional Climate Change Hubs**

Agriculture Secretary Tom Vilsack established the first ever <u>USDA Regional Climate Change Hubs</u> in February 2014 at seven locations around the country to provide more information to farmers, ranchers and forest landowners on the increasing risks of fires, pests, floods, and droughts associated with a changing climate. For information on the Climate Hub in your Region, visit <a href="http://climatehubs.oce.usda.gov">http://climatehubs.oce.usda.gov</a> and click on the region to learn more.

# USDA Seeks Applications for Grants to Help Agricultural Producers Increase the Value of Their Products

The United States Department of Agriculture (USDA) Rural Development (RD) is making up to \$44 million available to farmers, ranchers and businesses to develop new bio-based products and expand markets through the Value-Added Producer Grant program.

Value-Added Producer Grants may be used to develop new products and create additional uses for existing ones. Priority for these grants is given to veterans, members of socially disadvantaged groups, beginning farmers and ranchers, and operators of small- and medium-sized family farms and ranches. Additional priority is given to applicants who seek funding for projects that will create or increase marketing opportunities for these types of operators.

Additional information is also available from your <u>RD Area Office Specialist</u> or visit the VAPG website where forms and application templates can be accessed: <u>Value-Added Producer Grant</u> program.

## **Attention Apple Users**

If you are an Apple user who receives online communications through GovDelivery from your state or local FSA office using the mail app on your iPhone or iPad, you may have noticed a problem with hyperlinks in the table of contents. The GovDelivery vendor is working to resolve the issue. In the meantime, you can use the macro to view the newsletter or bulletin as a web page and will be able to use the hyperlinked table of contents. To open the macro, look for the statement below in the bulletin or newsletter and click "View it as a Web page."

Having trouble viewing this email? View it as a Web page.

There are no reported problems from android mobile device users at this time.

### **Dates to Remember**

**May 1, 2016:** Noninsured Crop Disaster Assistance Program (NAP) application closing date for Nursery (ornamental nursery and nonornamental propagation nursery) for crop year June 1 - May 31

May 30, 2016: Offices closed in observance of Memorial Day

June 1, 2016: Final date to obtain loans or LDP's on 2015 harvested feed grains and soybeans

June 1, 2016: Date used to establish ownership interest for person or legal entity for program purposes

**June 1, 2016:** Date used for the determination of minor child for program purposes

June 15, 2016: Reporting date for cucumbers (planted 5/1 to 5/31) in Knox County

June 20, 2016: Final date to submit a prevented planting claim for corn

July 1, 2016: MPP-Dairy 2017 registration and election begins

July 4, 2016: Offices closed in observance of Independence Day

July 5, 2016: Final date to submit a prevented planting claim for soybeans

**July 15, 2016**: Reporting date for all other crops (including cucumbers planted 5/10-6/15) in all other counties in Indiana

**August 1, 2016:** Deadline to enroll in 2016 Agricultural Risk Coverage (ARC) or Price Loss Coverage (PLC) Programs

August 1, 2016: Deadline to request farm reconstitutions and transfers for 2016

**August 15, 2016:** Reporting date for cucumbers (planted 6/16-8/5 in Fulton, LaPorte, Porter and St. Joseph Counties)

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).