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Farm Service Agency Electronic News Service

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Indiana Farm Service Agency Program Updates

Indiana Farm Service Agency

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USDA Issues Safety-Net Payments to Indiana Farmers

USDA Indiana Farm Service Agency (FSA) announced that approximately 95,000 Indiana farms that enrolled in safety-net programs established by the 2014 Farm Bill will receive financial assistance for the 2016 crop year. The programs, known as Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC), are designed to protect against unexpected drops in crop prices or revenues due to market downturns.

Indiana producers have experienced a significant drop in prices or revenues below the benchmark established by the ARC or PLC program and thus, will receive payments totaling more than \$287.5 million. Payments related to corn crops made up much of those payments. There were also payments for barley, oats, grain sorghum, soybeans and wheat crops.

Payments by county for an eligible commodity can vary because average county yields will differ.

Statewide, 90,110 farms participated in ARC-County and 4,510 farms participated in PLC. More details on the price and yield information used to calculate the financing assistance from the safety-net programs is available on the FSA website at www.fsa.usda.gov/arc-plc and www.fsa.usda.gov/in.

<u>carl.schweikhardt@in.usda.gov</u> Enrollment Period for Safety Net Coverage in 2018 Begins Nov. 1, 2017

Beginning Nov. 1, 2017, farmers 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.

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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.

Elections for 2017 County Committees

Elections for USDA's Farm Service Agency (FSA) County Committees are underway.

It is important that every eligible producer participate in these elections because FSA county committees are a link between the agricultural community and the USDA.

County committee members are a critical component of FSA operations. Committees should be comprised of members who reflect the diversity of producers involved in production agriculture. This means that producers representing underserved groups or communities should be on the committee to speak on behalf of their constituency.

Underserved producers are beginning, women and other minority farmers and land owners and/or operators who have limited resources. Other minority groups including Native American and Alaska Natives; persons under the poverty level, and persons that have disabilities are also considered underserved.

County committee election ballots will be mailed to eligible voters on Nov. 6, 2017. The last day to return completed ballots to the local FSA office is Dec. 4, 2017.

For more information contact your local FSA office or visit: www.fsa.usda.gov/elections.

Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs)

The Agricultural Act of 2014 authorized 2014-2018 crop year Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs), with a few minor policy changes.

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, wool and honey. MALs provide producers interim financing after harvest to help them meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available. Marketing loan provisions and LDPs are not available for sugar and extra-long staple cotton.

Before MAL market gain repayments and LDP disbursements can be made, producers must meet the requirements of actively engaged in farming, cash rent tenant and member contribution.

Additionally, form CCC-902 and CCC-901 must be submitted for the 2017 crop year, if applicable, with a county committee determination and updated subsidiary files.

To be considered eligible for an LDP, producers must have form CCC-633EZ, Page 1 on file at their local FSA Office before losing beneficial interest in the crop. Pages 2, 3 or 4 of the form must be submitted when payment is requested.

The 2014 Farm Bill also establishes payment limitations per individual or entity not to exceed \$125,000 annually on certain commodities for the following program benefits: price loss coverage payments, agriculture risk coverage payments, marketing loan gains (MLGs) and LDPs. These payment limitations do not apply to MAL loan disbursements.

Adjusted Gross Income (AGI) provisions were modified by the 2014 Farm Bill, which states that a producer whose total applicable three-year average AGI exceeds \$900,000 is not eligible to receive an MLG or LDP.

For more information and additional eligibility requirements, please visit a nearby USDA Service Center or FSA's website www.fsa.usda.gov

Unauthorized Disposition of Grain

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.

2018 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)

November 15 - Perennial Grazing and Forage Crops (alfalfa, grass, mixed forages, clover, etc.)

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.

Important NASS Surveys Upcoming

USDA's National Agricultural Statistics Service (NASS) will be conducting 2 important surveys this fall/winter; the County Agricultural Production Survey and the December Agricultural Survey. Data from both surveys will be used to establish final 2017 county average yields for corn and soybeans.

These surveys can have a direct impact on farmers because USDA's Risk Management Agency (RMA) and Farm Service Agency (FSA) use the NASS county yields to determine the Agriculture Risk Coverage (ARC-CO) insurance payments and administer disaster assistance programs.

Selected farmers will receive a questionnaire in the mail. NASS offers a secure online response system. Responding online is the easiest, fastest and safest way to complete the survey and it saves taxpayer dollars too. Farmers can also respond by mail, telephone, or personal interview. **Remember** if NASS doesn't get enough farmers to respond in a county, then the county yield will not be published.

The deadline to report for the December Agricultural Survey is December 15, 2017 and the County Agricultural Production Survey is due January 12, 2018.

Corn and soybean county estimates will be released on February 22, 2018 on the NASS website.

Thank you for participating in NASS surveys and for supporting U.S. agriculture.

Loan Servicing

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

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 www.fsa.usda.gov.

USDA Seeks Applications for Grants to Help Agricultural Producers and Small Rural Businesses Develop New Products

The USDA Rural Development (RD) is accepting applications for grants to help farmers, ranchers and producer-based businesses nationwide develop new product lines.

The funding is being provided through the Value-Added Producer Grant (VAPG) program. VAPG grants can be used to develop new products from raw agricultural products or promote new markets for established products. Veterans, socially-disadvantaged groups, beginning farmers and ranchers, operators of small and medium-sized family farms and ranches and farmer and rancher cooperatives are given special priority.

The deadline to submit paper applications is Jan. 31, 2018. Electronic applications submitted through grants.gov are due Jan. 24, 2018. For more information on this grant program, visit <u>USDA Rural Development</u>. For assistance in Indiana, contact Mark Beckman at (317) 295-5778 or Anthony Kirkland at (260) 244-6266 Ext. 114.

Dates to Remember

Continuing through December 15, 2017: Margin Protection Program for Dairy Producers (MPP-Dairy) 2018 registration and election

November 1: Enrollment begins for 2018 Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) Programs

November 1: Final application for payment for 2017 ELAP for losses occurring 10/1/2016 to 9/30/2017

November 4: Final date to submit a prevented planting claim for 2016 fall wheat with 10/20 final plant date

November 10: Offices closed in observance of Veteran's Day

November 15: Reporting date for perennial grazing and forage crops (alfalfa, grass, mixed forages, clover, etc.)

November 15: Final date to submit a prevented planting claim for 2016 fall wheat with 10/31 final plant date

November 15: NAP application closing date for perennial grazing and forage crops (alfalfa, grass, mixed forages, clover, etc.)

November 20: NAP application closing date for apples, apricots, aronia (chokeberry), asparagus, blueberries, caneberries, cherries, grapes, hops, nectarines, peaches, pears, plums, strawberries

November 23: Offices closed in observance of Thanksgiving Day

December 1: NAP application closing date for honey for the following year

December 15: Reporting date for 2017 fall mint, fall-seeded small grains

December 15: MPP-Dairy 2018 registration and election ends

December 25: Offices closed in observance of Christmas Day

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).