#### **April 2018**





### Farm Service Agency Electronic News Service

# NEWSLETTER

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

## Indiana Farm Service Agency

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## From the Desk of the State Executive Director

It has been a quick April, but the weather has caused planting delays across the state. Improved conditions have allowed several producers to start planting the week of April 23rd. I wish all producers a safe and quick planting season.

April has also provided program updates through the Bipartisan Budget Act of 2018. The Bipartisan Budget Act enables FSA to continue what it does best, working one-on-one with America's farmers to strengthen their farms, mitigate risk and conserve natural resources. At USDA, we provide emergency loans, crop insurance, and a long list of assistance designed to ensure producers who lose livestock, crops or trees and bushes are able to recover from adversity. Collectively, it is known as "The Farm Safety Net".

Significant changes to MPP-Dairy for the 2018 coverage year are further authorized by the Bipartisan Budget Act of 2018. The MPP-Dairy offers protection to dairy producers when the difference between the all-milk price and the national average feed cost (the margin) falls below a certain dollar amount elected by the producer. The registration and re-enrollment period for coverage year 2018 began on April 9, 2018 and continues through June 1, 2018. The re-enrollment period allows dairy producers, including those that previously signed up and those that did not, an opportunity to make new elections for 2018. Coverage begins January 1, 2018.

Thanks,

Steve

#### Farm Loan Chief:

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# **USDA Reopens Enrollment for Improved Dairy Safety Net Tool**

USDA's Farm Service Agency encourages dairy producers to consider enrolling in the new and improved Margin Protection Program for Dairy (MPP-Dairy), which will provide better protections for dairy producers from shifting milk and feed prices. With changes authorized under the Bipartisan Budget Act of 2018, the U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) has set the enrollment period to run from April 9, 2018 to June 1, 2018.

#### **About the Program:**

The program protects dairy producers by paying them when the difference between the national allmilk price and the national average feed cost (the margin) falls below a certain dollar amount elected by the producer. Changes include:

- Calculations of the margin period is monthly rather than bi-monthly.
- Covered production is increased to 5 million pounds on the Tier 1 premium schedule, and premium rates for Tier 1 are substantially lowered.
- An exemption from paying an administrative fee for limited resource, beginning, veteran, and disadvantaged producers. Dairy operators enrolled in the previous 2018 enrollment period that qualify for this exemption under the new provisions may request a refund.

Dairy operations must make a new coverage election for 2018, even if you enrolled during the previous 2018 signup period. Coverage elections made for 2018 will be retroactive to January 1, 2018. All dairy operations desiring coverage must sign up during the enrollment period and submit an appropriate form (CCC-782) and dairy operations may still "opt out" by not submitting a form. All outstanding balances for 2017 and prior years must be paid in full before 2018 coverage is approved.

Dairy producers can participate in FSA's MPP-Dairy or the Risk Management Agency's Livestock Gross Margin Insurance Plan for Dairy Cattle (LGM-Dairy), but not both. During the 2018 enrollment period, only producers with an active LGM-Dairy policy who have targeted marketings insured in 2018 months will be allowed to enroll in MPP-Dairy by June 1, 2018; however, their coverage will start only after active target marketings conclude under LGM-Dairy.

USDA has a web tool to help producers determine the level of coverage under the MPP-Dairy that will provide them with the strongest safety net under a variety of conditions. The online resource, which will be updated and available by April 9 at <a href="https://www.fsa.usda.gov/mpptool">www.fsa.usda.gov/mpptool</a>, allows dairy farmers to quickly and easily combine unique operation data and other key variables to calculate their coverage needs based on price projections. Producers can also review historical data or estimate future coverage based on data projections. The secure site can be accessed via computer, smartphone, tablet or any other platform.

USDA is mailing postcards advising dairy producers of the changes. For more information, visit <a href="https://www.fsa.usda.gov/dairy">www.fsa.usda.gov/dairy</a> or contact your <a href="https://www.fsa.usda.gov/dairy">local USDA service center</a>.

# Farm Service Agency Makes Administrative Change to the Livestock Indemnity Program

Starting today, agricultural producers who have lost livestock to disease, resulting from a weather disaster, have an additional way to become eligible for the <u>Livestock Indemnity Program</u> (LIP).

In the event of disease, this change by USDA's Farm Service Agency (FSA) authorizes local FSA county committees to accept veterinarian certifications that livestock deaths were directly related to adverse weather and unpreventable through good animal husbandry and management. The committees may then use this certification to allow eligibility for producers on a case-by-case basis for LIP.

LIP provides benefits to agricultural producers for livestock deaths in excess of normal mortality caused by adverse weather, disease or by attacks by animals reintroduced into the wild by the federal government. Eligible weather events include earthquakes, hail, tornadoes, hurricanes, storms, blizzard and flooding.

Producers interested in LIP or other USDA disaster assistance programs should contact their <u>local USDA service center</u>.

### **USDA Enrollment Period for Safety Net Coverage in 2018**

Farmers with base acres in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) safety net program may now 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.

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 <a href="http://offices.usda.gov">http://offices.usda.gov</a>.

### Still Time to be Counted in the 2017 Census of Agriculture

NASS to follow-up with producers who have not yet responded

Indiana farmers still have time to be counted in the 2017 Census of Agriculture, according to Greg Matli, State Statistician of the USDA, NASS, Indiana Field Office. Although the first deadline has just passed, NASS will continue to accept Census information through the spring to get a complete and accurate picture of American agriculture that represents all farmers.

"We thank everyone who has completed their Census to date and ask those that have not yet returned their Census to please take the time to do it," said Matli. "A lot is at stake if producers are not represented in this data. Census data have and will continue to influence important decisions for American agriculture. The data will affect every operation and every farming community at some point, whether it be through farm policy, disaster relief, insurance or loan programs, infrastructure improvements, or agribusiness setup. There is accuracy and strength in numbers, which is why NASS is committed to giving producers every opportunity to respond."

Federal law mandates that everyone who received the 2017 Census of Agriculture questionnaire complete it and return it even if not currently farming. NASS will continue to follow-up with producers through the spring with mailings, phone calls, and personal visits. To avoid these additional contacts, farmers are encouraged to complete their Census either online at <a href="https://www.agcounts.usda.gov">www.agcounts.usda.gov</a> or by mail as soon as possible. Responding online saves time by skipping sections that do not apply and automatically calculating totals. The online questionnaire is accessible on desktops, laptops, and mobile devices.

For more information about the 2017 Census of Agriculture, visit <a href="www.agcensus.usda.gov">www.agcensus.usda.gov</a>. For questions or assistance filling out the Census, call toll-free (888) 424-7828.

### Timely Filing a Notice of Loss

Timely filing a Notice of Loss is required for all crops including grasses. For losses on crops covered by the Noninsured Crop Disaster Assistance Program (NAP), producers must timely report damage or loss to their administrative County Office. For all low yield and value-loss crop claims, a CCC-576 Part B Notice of Loss must be filed within 15 calendar days of earlier of the date disaster occurs (or becomes apparent) or the normal harvest date. However, all producers should be aware that deadlines to provide initial notice to FSA do now vary by method of harvest and crop.

Crops that are either hand-harvested or other crops determined by FSA to deteriorate quickly and therefore need prompt appraisal must notify FSA within 72 hours of the date of damage or loss first becomes apparent. This initial notice may be by the filing of the CCC-576 Part B, e-mail, FAX, or a phone call. When initial notice is by email, FAX, or phone, County Offices will provide a Receipt for Service with additional requirements. A CCC-576 Notice of Loss will still be required within 15 calendar days of earlier of date of occurrence/appearance of damage or harvest date.

Other crops, such as forages and grains, continue to have the 15 day requirement to file a required CCC-576, Notice of Loss, to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. This Notice of Loss must be filed within 15 calendar days of the earlier of date of occurrence/appearance of damage or harvest date.

If filing for prevented planting, an acreage report and CCC-576 Part B must be filed within 15 calendar days of the final planting date for the crop.

Further, to receive NAP assistance for claimed losses producers **must** timely file an Application for Payment on CCC-576 (Parts D through H) along with all required production records. Each producer on the unit must file their own application for payment. The deadline to apply for payment is 60 calendar days after the end of coverage for the crop year on the unit. There are no late-file provisions for NAP Applications for Payment.

### **Livestock Inventory Records**

Producers are reminded to keep updated livestock inventory records. These records are necessary in the event of a natural disaster.

When disasters strike, the USDA Farm Service Agency (FSA) can assist producers who suffered excessive livestock death losses and grazing or feed losses due to eligible natural disasters.

To participate in livestock disaster assistance programs, producers will be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to their local FSA office within 30 calendar days of when the loss of livestock is apparent. For grazing or feed losses, producers must submit a notice of loss to their local FSA office within 30 calendar days of when the loss is apparent and should maintain documentation and receipts.

Producers should record all pertinent information regarding livestock inventory records including:

- Documentation of the number, kind, type, and weight range of livestock
- Beginning inventory supported by birth recordings or purchase receipts;

For more information on documentation requirements, contact your local FSA office.

## Clearing Wooded Areas, Draining, or Bringing New Land Into Production

Agricultural producers are reminded to consult with FSA and NRCS before breaking out new ground for production purposes as doing so without prior authorization may put a producer's federal farm program benefits in jeopardy. This is especially true for land that must meet Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions.

Producers with HEL determined soils are required to apply tillage, crop residue and rotational requirements as specified in their conservation plan.

Producers should notify FSA as a first point of contact prior to conducting land clearing or drainage type projects to ensure the proposed actions meet compliance criteria such as clearing any trees to create new cropland, then these areas will need to be reviewed to ensure such work will not risk your eligibility for benefits.

Landowners and operators complete the form AD-1026 - Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification to identify the proposed action and allow FSA to determine whether a referral to Natural Resources Conservation Service (NRCS) for further review is necessary.

# **USDA Announces Changes to Fruit, Vegetable and Wild Rice Planting Rules**

Farm Service Agency (FSA) announced fruit, vegetable and wild rice provisions that affect producers who intend to participate in certain programs authorized by the Agricultural Act of 2014.

Producers who intend to participate in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs are subject to an acre-for-acre payment reduction when fruits and nuts, vegetables or wild rice are planted on the payment acres of a farm. Payment reductions do not apply to mung beans, dry peas, lentils or chickpeas. Planting fruits, vegetables or wild rice on acres that are not considered payment acres will not result in a payment reduction. Farms that are eligible to participate in ARC/PLC but are not enrolled for a particular year may plant unlimited fruits, vegetables and wild rice for that year but will not receive ARC/PLC payments for that year. Eligibility for succeeding years is not affected.

Planting and harvesting fruits, vegetables and wild rice on ARC/PLC acreage is subject to the acrefor-acre payment reduction when those crops are planted on either more than 15 percent of the base acres of a farm enrolled in ARC using the county coverage or PLC, or more than 35 percent of the base acres of a farm enrolled in ARC using the individual coverage.

Fruits, vegetables and wild rice that are planted in a double-cropping practice will not cause a payment reduction if the farm is in a double-cropping region as designated by the USDA's Commodity Credit Corporation.

### **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.

### **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.

# **CRP Participants Must Maintain Approved Cover on Acreages Enrolled in CRP and the Farm Programs**

Conservation Reserve Program (CRP) participants are responsible for ensuring adequate, approved vegetative and practice cover is maintained to control erosion throughout the life of the contract after the practice has been established. Participants must also control undesirable vegetation, weeds (including noxious weeds), insects and rodents that may pose a threat to existing cover or adversely impact other landowners in the area.

All CRP maintenance activities, such as mowing, burning, disking and spraying, must be conducted outside the primary nesting or brood rearing season for wildlife, which for Indiana is April 1 through August 1 each year for contracts which started in 2008. If your contract was approved prior to 2008, then the primary nesting season is March 1 through July 15. However, spot treatment of the acreage may be allowed during the primary nesting or brood rearing season if, left untreated, the weeds, insects or undesirable species would adversely impact the approved cover. In this instance, spot treatment is limited to the affected areas in the field and requires County Committee approval prior to beginning the spot treatment. The County Committee will consult with NRCS to determine if such activities are needed to maintain the approved cover.

Annual mowing of CRP for generic weed control, or for cosmetic purposes, is prohibited at all times.

#### **Dates to Remember**

**Continuing through August 1, 2018:** Enrollment for 2018 Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) Programs

**May 1:** NAP application closing date for nursery (ornamental nursery and nonornamental propagation nursery) for the crop year June 1 - May 31

May 28: Offices closed in observance of Memorial Day

May 31: Final date to obtain loans or LDP's on 2017 harvested feed grains and soybeans

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

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

June 1: Deadline to enroll for 2018 Margin Protection Program for Dairy (MPP-Dairy)

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

June 15: Nominations open for the 2018 County Committee (COC) Election

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

July 4: Offices closed in observance of Independence Day

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

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

**August 1:** Deadline to enroll in 2018 Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) Programs

August 1: Deadline to request farm reconstitutions and transfers for 2018

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

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