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# 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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## State Committee Members:

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# **USDA Market Facilitation Program**

USDA launched the trade mitigation package aimed at assisting farmers suffering from damage due to unjustified trade retaliation by foreign nations. Producers of certain commodities can now sign up for the Market Facilitation Program (MFP).

USDA's Farm Service Agency (FSA) will administer MFP to provide payments to corn, cotton, dairy, hog, sorghum, soybean, wheat, shelled almond, and fresh sweet cherry producers. An announcement about further payments will be made in the coming months, if warranted.

The sign-up period for MFP runs through Jan. 15, 2019, with information and instructions provided at <u>www.farmers.gov/mfp</u>. MFP provides payments to producers of eligible commodities who have been significantly impacted by actions of foreign governments resulting in the loss of traditional exports. Eligible producers should apply after harvest is complete, as payments will only be issued once production is reported.

A payment will be issued on 50 percent of the producer's total production, multiplied by the MFP rate for a specific commodity. A second payment period, if warranted, will be determined by the USDA.

For a list of initial MFP payments rates, view the MFP Fact Sheet.

MFP payments are capped per person or legal entity as follows:

- A combined \$125,000 for eligible crop commodities
- A combined \$125,000 for dairy production and hogs
- A combined \$125,000 for fresh sweet cherries and almonds

Applicants must also have an average adjusted gross income for tax years 2014, 2015, and 2016 of less than \$900,000. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.

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#### **Expanded Hog Timeline**

USDA has expanded the timeline for producers with whom the Aug. 1, 2018, date does not accurately represent the number of head of live hogs they own. Producers may now choose any date between July 15 to Aug. 15, 2018 that correctly reflects their actual operation.

MFP applications are available online at <u>www.farmers.gov/mfp</u>. Applications can be completed at a local FSA office or submitted electronically either by scanning, emailing, or faxing. To locate or contact your local FSA office, visit <u>www.farmers.gov</u>.

# FSA Encourages Farmers to Vote in County Committee Elections by the Dec. 3 Deadline

Ballots for the 2018 Farm Service Agency County Committee Elections were mailed to eligible voters the week of Nov. 5. The deadline to return the ballots to local FSA offices is **Dec. 3, 2018**.

County committee members are an important component of the operations of FSA and provide a link between the agricultural community and USDA. Farmers and ranchers elected to county committees help deliver FSA programs at the local level, applying their knowledge and judgment to make decisions on commodity price support programs; conservation programs; incentive indemnity and disaster programs for some commodities; emergency programs and eligibility. FSA committees operate within official regulations designed to carry out federal laws.

To be an eligible voter, farmers must participate or cooperate in an FSA program. A person who is not of legal voting age but supervises and conducts the farming operations of an entire farm, may also be eligible to vote.

Eligible voters who did not receive a ballot can obtain one from their local USDA Service Center. **Dec. 3**, **2018**, is the last day for voters to submit ballots in person to local USDA Service Centers. Ballots returned by mail must also be postmarked no later than **Dec. 3**. Newly elected committee members will take office Jan. 1, 2019.

More information on county committees, such as the new 2018 fact sheet, can be found on the FSA website at <u>www.fsa.usda.gov/elections</u> or at a local USDA Service Center.

## 2019 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.

# **Changing Bank Accounts**

FSA program payments are issued electronically into your bank account. In order to make timely payments, you need to notify your FSA servicing office if you close your account or if your bank information is changed for whatever reason (such as your financial institution merging or being purchased). Payments can be delayed if FSA is not notified of changes to account and bank routing numbers.

For some programs, payments are not made until the following year. For example, payments for crop year 2017 through the Agriculture Risk Coverage and Price Loss Coverage program aren't paid until 2018. If the bank account was closed due to the death of an individual or dissolution of an entity or partnership before the payment was issued, please notify your local FSA office as soon as possible to claim your payment.

## Indiana Counties Eligible for Emergency Loans Following Presidential Disaster Declaration

The following Indiana counties were declared a natural disaster area as contiguous counties to primary natural disaster areas in Ohio, due to severe storms, flooding and landslides that occurred February 14, 2018 through February 25, 2018. Under this designation, producers with operations in any primary or contiguous county are eligible to apply for low interest emergency loans. Emergency loan applications will be received through **December 17, 2018**.

## Dearborn, Franklin

The following Indiana primary and contiguous counties were declared a natural disaster area due to severe storms and flooding that occurred February 14, 2018 through March 4, 2018. Under this designation, producers with operations in any primary or contiguous county are eligible to apply for low interest emergency loans. Emergency loan applications will be received through **February 5, 2019**.

Benton, Carroll, Cass, Clark, Clinton, Crawford, Dearborn, Dubois, Elkhart, Floyd, Fountain, Franklin, Fulton, Gibson, Grant, Harrison, Howard, Huntington, Jasper, Jefferson, Jennings, Knox, Kosciusko, LaGrange, Lake, LaPorte, Marshall, Miami, Newton, Noble, Ohio, Orange, Parke, Perry, Pike, Porter, Posey, Pulaski, Ripley, St. Joseph, Scott, Spencer, Starke, Switzerland, Tippecanoe, Vanderburgh, Vermillion, Vigo, Wabash, Warren, Warrick, Washington, White, Whitley

The following Indiana counties were declared a natural disaster area as contiguous counties to primary natural disaster areas in Kentucky, due to severe storms, tornadoes, flooding, landslides and mudslides that occurred February 21, 2018 through March 21, 2018. Under this designation, producers with operations in any primary or contiguous county are eligible to apply for low interest emergency loans. Emergency loan applications will be received through **December 26, 2018**.

### Clark, Floyd, Harrison, Jefferson, Perry, Posey, Spencer, Switzerland, Vanderburgh, Warrick

Emergency loans help producers recover from production and physical losses due to drought, flooding and other natural disasters or quarantine.

Producers have eight months from the date of the declaration to apply for emergency loan assistance. FSA will consider each loan application on its own merits, taking into account the extent of losses, security available and repayment ability. Producers can borrow up to 100 percent of actual production or physical losses, to a maximum amount of \$500,000.

For more information about emergency loans, please contact your local FSA office or visit <u>www.fsa.usda.gov</u>.

## 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.

# FSA Offers Joint Financing Option on Direct Farm Ownership Loans

The USDA Farm Service Agency's (FSA) <u>Direct Farm Ownership loans</u> are a resource to help farmers and ranchers become owner-operators of family farms, improve and expand current operations, increase agricultural productivity, and assist with land tenure to save farmland for future generations.

Depending on the applicant's needs, there are three types of Direct Farm Ownership Loans: regular, down payment and joint financing. FSA also offers a <u>Direct Farm Ownership Microloan</u> option for smaller financial needs up to \$50,000.

Joint financing allows FSA to provide more farmers and ranchers with access to capital. FSA lends up to 50 percent of the total amount financed. A commercial lender, a State program or the seller of the property being purchased, provides the balance of loan funds, with or without an FSA guarantee. The maximum loan amount for a Joint Financing loan is \$300,000 and the repayment period for the loan is up to 40 years.

To be eligible, the operation must be an eligible farm enterprise. Farm Ownership loan funds cannot be used to finance nonfarm enterprises and all applicants must be able to meet general eligibility requirements. Loan applicants are also required to have participated in the business operations of a farm or ranch for at least three years out of the 10 years prior to the date the application is submitted.

The applicant must show documentation that their participation in the business operation of the farm or ranch was not solely as a laborer.

For more information about FSA Loan programs, contact your local FSA office or visit <u>www.fsa.usda.gov</u>. To find your local FSA office, visit <u>http://offices.usda.gov</u>.

## 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.

# **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.

# Maintaining the Quality of Farm-Stored Loan Grain

Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

# **USDA and SCORE Joining Forces to Find Mentors**

If you are a farmer, or have agricultural or business experience, join us in supporting the next generation and in investing in your local community! Your experiences and knowledge as a business owner, agricultural professional, or farmer can provide vital support to the community you live in.

USDA is collaborating with SCORE – <u>www.score.org</u> - the nation's largest network of volunteer, expert business mentors in an effort to expand the field of available agricultural mentors and provide free business mentoring to farmers, ranchers, and other agricultural and rural business owners. SCORE is currently looking for volunteers with experience in an agriculture-related field who would like to become a part of an extended field of volunteers. The organization's Orientation and Mentoring Certification program provides volunteers with everything needed to be a successful volunteer. Training includes background about SCORE's mission and services, as well as guidance on how to be a business mentor, including enhancement of listening, interviewing and problem-solving skills.

Current SCORE volunteer mentors have backgrounds in finance, accounting, marketing, operations, business and financial planning. The mentors provide local expertise and free one-on-one business mentoring to new and existing farmers and business owners. Together they work through the process of starting up or maintaining agricultural and rural businesses. No matter what stage a business is in, SCORE volunteer mentors can help in developing business plans, navigating financing and legal issues, identifying new markets, and other topics, in order to help their clients succeed. FSA invites you to learn more and sign up to become a mentor today at <a href="https://newfarmers.usda.gov/mentorship">https://newfarmers.usda.gov/mentorship</a>.

## **Dates to Remember**

Continuing through January 15, 2019: Market Facilitation Program (MFP) Sign-up **December 1:** NAP application closing date for honey and maple sap for the following year December 3: Final application for payment for 2017 ELAP, LIP, LFP for losses occurring 10/1/2016 to 9/30/2017 December 3: Final application for payment for 2018 ELAP for losses occurring 10/1/2017 to 9/30/2018 December 3: Final application for payment for 2017 and 2018 TAP losses December 3: County committee election ballots returned to FSA Office (in person or postmarked by mail) December 15: Reporting date for 2019 fall mint, fall-seeded small grains December 25: Offices closed in observance of Christmas Day January 1: Offices closed in observance of New Year's Day January 2: Reporting date for 2019 honeybee colonies/honey for all FSA programs January 15: Reporting date for 2019 acreage for apples January 15: Deadline to apply for the Market Facilitation Program (MFP) January 21: Offices closed in observance of Martin Luther King, Jr's Birthday January 30: Final application for payment for 2018 Livestock Forage Disaster Program (LFP) January 31: Deadline to file Tree Assistance Program (TAP) application February 2: Deadline to apply for Loan Deficiency Payments (LDP) for unshorn pelts produced during the 2018 crop year February 15: NAP buy-up premiums due February 18: Offices closed in observance of George Washington's Birthday March 1: Final application for payment for 2018 Livestock Indemnity Program (LIP) March 15: NAP application closing date for annual spring/summer planted crops not limited to: beans, beets, broccoli, brussel sprouts, cabbage, canola, cantaloupes, carrots, cauliflower, corn, cucumbers, eggplant, garlic, greens, herbs, honeydew, lettuce, oats, okra, onions, peas, peppers, potatoes, pumpkins, radishes, sorghum, squash, tomatillos, tomatoes, and watermelon March 31: Final date to obtain loans or Loan Deficiency Payments (LDP's) on 2018 harvested small grains May 1: Deadline to certify production for the Market Facilitation Program (MFP) May 27: Offices closed in observance of Memorial 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).