#### May 10, 2017



#### Farm Service Agency





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### Kansas FSA May Newsletter

### Kansas Farm Service Agency

3600 Anderson Avenue Manhattan, KS 66503 Phone: 785-539-3531

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#### **State Committee:**

Timothy Peterson, Chair Nicholas Bowser Louise Ehmke Sharon Karr Mark Treaster

Acting State Executive Director: Jack R. Salava

#### **Dates to Remember**

May 29 - Memorial Day Federal Holiday (offices closed)

**May 31 -** Deadline to request Marketing Assistance Loans and Loan Deficiency payments for 2016 harvested corn, grain sorghum, and soybeans

**July 15 -** Reporting deadline for all spring-planted crops

**August 1 -** Final date to enroll in the 2017 ARCPLC program

Sonny Perdue Sworn in as 31st U.S. Secretary of Agriculture



To find your local FSA county office, click http://offices.usda.gov

Need more info about a specific program? Read FSA program fact sheets here, or watch video webinars here.

Click <u>here</u> for current interest rates on various farm loans.

Make sure you're counted in the 2017 Census of Agriculture! Click HERE to learn more and make sure you're on to the mailing list.

Sonny Perdue was sworn in as the 31st U.S. Secretary of Agriculture by fellow Georgian and Associate Justice of the U.S. Supreme Court Clarence Thomas in a brief ceremony on April 25 at the Supreme Court building.

Perdue grew up on a dairy and diversified row crop farm in Bonaire, Georgia. Being uniquely qualified as a former farmer, agribusinessman, veterinarian, state legislator and governor of Georgia, he has experienced the agriculture industry from every possible perspective throughout his life.

As secretary, Perdue says he will champion the concerns of farmers, ranchers, foresters and producers, and will work tirelessly to solve the issues facing our farm families.

Perdue's policies as U.S. Secretary of Agriculture will be guided by four principles which will inform his decisions. First, he will maximize the ability of the men and women of America's agriculture and agribusiness sector to create jobs, to produce and sell the foods and fiber that feed and clothe the world, and to reap the earned reward of their labor. Second, he will prioritize customer service every day for American taxpayers and consumers. Third, as Americans expect a safe and secure food supply, USDA will continue to serve in the critical role of ensuring the food we put on the table to feed our families meets the strict safety standards we've established. And fourth. Perdue will always remember that America's agricultural bounty comes directly from the land.

For more information about Secretary Perdue, visit www.usda.gov.

## Livestock Indemnity Program (LIP) Available for 2017 Disaster Livestock Losses

The Livestock Indemnity Program (LIP) compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to wildfires, hurricanes, floods, blizzards, 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. A notice of loss must be filed with FSA within 30 days of when the loss of livestock is apparent. Participants must provide 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. Some types of documentation that may be required are:

- Documentation of the number, kind, type, and weight range of livestock that have died, supplemented if possible by photographs or video records of ownership and losses;
- Rendering truck receipts by kind, type and weight important to document prior to disposal;
- Beginning inventory supported by birth recordings or purchase receipts;
- Documentation from Animal Plant Health Inspection Service, Department of Natural Resources, or other sources to substantiate eligible death losses due to an eligible loss condition;
- Copy of growers contracts
- Proof of normal mortality documentation

USDA has established normal mortality rates for each type and weight range of eligible livestock, i.e. Adult Beef Cow = 1.1% and Non-Adult Beef Cattle (less than 400 pounds) = 2.7%. 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.

# **USDA Packages Disaster Protection with Loans to Benefit Specialty Crop and Diversified Producers**

Free basic coverage and discounted premiums available for new and underserved loan applicants

Some producers who apply for FSA farm loans will be afforded an opportunity to enroll in disaster loss protections. The coverage, available through the Noninsured Crop Disaster Assistance Program (NAP), is available to FSA loan applicants who grow non-insurable crops, such as fruit and vegetable producers and other specialty crop growers. FSA allows beginning, underserved or limited income producers to obtain NAP coverage up to the final planting date for annual crops and 90 days after the normal application closing date for perennial crops when they also apply for FSA credit. To learn application closing dates for your crop, contact your local county FSA office.

Beginning, underserved and limited income specialty growers who apply for farm loans could qualify for basic loss coverage at no cost, or higher coverage for a discounted premium. Targeted underserved groups eligible for free or discounted coverage are American Indians or Alaskan Natives, Asians, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, Hispanics, and women.

The basic disaster coverage protects at 55 percent of the market price for crop losses that exceed 50 percent of production. Covered crops include "specialty" crops, for instance, vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, hay, forage, grazing and energy crops. In addition to free basic coverage, beginning, underserved or limited income producers are eligible for a 50 percent discount on premiums for the higher levels of coverage that protect up to 65 percent of expected production at 100 percent of the average market price. Producers also may work with FSA to protect value-added production, such as organic or direct market crops, at their fair market value in those markets.

FSA offers a variety of loan products, including farm ownership loans, operating loans and microloans that have a streamlined application process. Also, Noninsured Crop Disaster Assistance

Program assistance is available to all producers, regardless of their underserved status. To learn more, visit www.fsa.usda.gov/nap or www.fsa.usda.gov/farmloans.

### FSA Farm Loans First Step to Successful Ag Credit

Farm Service Agency (FSA) Farm Loan programs are considered supervised credit. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Therefore, it is our goal to help you graduate to commercial credit, and our farm loan staff is available to help borrowers through training and credit counseling.

The FSA team will help borrowers identify their goals to ensure financial success. Through this process, FSA staff will advise borrowers in developing strategies and a plan to meet your operation's goals and graduate to commercial credit. Ultimately, the borrower is responsible for the success of the farming operation, but FSA's staff will help in an advisory role to provide the tools necessary to help you achieve your operational goals and manage your finances.

For more information on FSA farm loan programs, visit www.fsa.usda.gov.

### **New Program Reimburses Part of Organic Certification Cost**

The Organic Certification Cost Share Program (OCCSP) provides cost share assistance to producers and handlers of agricultural products who are obtaining or renewing their certification under the National Organic Program (NOP). Certified operations may receive up to 75 percent of their certification costs paid from Oct. 1, 2016, through Sept. 30, 2017, not to exceed \$750 per certification scope.

Eligible costs include application fees, inspection costs, fees related to equivalency agreement/arrangement requirements, travel/per diem for inspectors, user fees, sales assessments and postage.

Ineligible costs include equipment, materials, supplies, transitional certification fees, late fees and inspections necessary to address National Organic Program regulatory violations.

Producers and handlers may submit OCCSP applications to FSA county offices or they may apply through participating State Agencies, which will be listed at <a href="https://www.fsa.usda.gov/programs-and-services/occsp/index">https://www.fsa.usda.gov/programs-and-services/occsp/index</a> as their agreements to administer the program are finalized.

The FSA OCCSP application form is available at <u>USDA's eForms site</u>, by selecting "Browse forms" and entering "OCCSP" in the "title or keywords" field on the search page.

To learn more about organic certification cost share, visit <a href="www.fsa.usda.gov/organic">www.fsa.usda.gov/organic</a> or contact a local FSA office by visiting <a href="http://offices.usda.gov">http://offices.usda.gov</a>.

## **USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning Farmers**

The USDA Farm Service Agency (FSA) reminds producers that FSA offers targeted farm ownership and farm operating loans to assist underserved applicants as well as beginning farmers and ranchers.

USDA defines underserved applicants as a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. For farm loan program purposes, targeted underserved groups are women, African Americans, American Indians and Alaskan Natives, Hispanics and Asians and Pacific Islanders.

Underserved or beginning farmers and ranchers who cannot obtain commercial credit from a bank can apply for either FSA direct loans or guaranteed loans. Direct loans are made to applicants by FSA. Guaranteed loans are made by lending institutions who arrange for FSA to guarantee the loan. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. The FSA guarantee allows lenders to make agricultural credit available to producers who do not meet the lender's normal underwriting criteria.

The direct and guaranteed loan program provides for two types of loans: farm ownership loans and farm operating loans. In addition to customary farm operating and ownership loans, FSA now offers Microloans through the direct loan program. The focus of Microloans is on the financing needs of small, beginning farmer, niche and non-traditional farm operations. Microloans are available for both ownership and operating finance needs. To learn more about microloans, visit <a href="https://www.fsa.usda.gov/microloans">www.fsa.usda.gov/microloans</a>.

To qualify as a beginning producer, the individual or entity must meet the eligibility requirements outlined for direct or guaranteed loans. Additionally, individuals and all entity members must have operated a farm for less than 10 years. Applicants must materially or substantially participate in the operation.

For more information on FSA's farm loan programs and targeted underserved and beginning farmer guidelines, visit <a href="https://www.fsa.usda.gov/farmloans">www.fsa.usda.gov/farmloans</a>.

## **HEL and Wetland Conservation Certification Required for USDA Benefits**

Since enactment of the 1985 Farm Bill, eligibility for most FSA and NRCS commodity, disaster and conservation programs has been linked to compliance with the highly erodible land conservation and wetland conservation provisions. Farmers are required to file form AD-1026, Highly Erodible Land Conservation and Wetland Conservation Certification, with their local Farm Service Agency (FSA) office. The 2014 Farm Bill not only continued these compliance requirements, but also added one for federal crop insurance premium support. In order to be eligible for premium subsidy for any policy, USDA's Risk Management Agency (RMA) requires that form AD-1026 be filed with FSA on or before June 1 prior to the upcoming reinsurance year (July 1 to June 30).

When a farmer completes and submits the AD-1026 certification form, FSA and NRCS staff will review the associated farm records and outline any additional actions that may be required to meet the required conservation compliance provisions. Farmers with HEL determined soils are reminded of tillage, crop residue, and rotation requirements as specified per their conservation plan. Producers are to notify the USDA Farm Service Agency prior to conducting land clearing or drainage projects to insure compliance. Failure to obtain advance approval for any of these situations can result in the loss of eligibility and all Federal payments.

Form AD-1026 is available at USDA Service Centers and online at: <a href="www.fsa.usda.gov">www.fsa.usda.gov</a>. Please contact your local USDA Service Center for more information.

### **Civil Rights/Discrimination Complaint Process**

As a participant or applicant for programs or activities operated or sponsored by USDA you have a right to be treated fairly. If you believe you have been discriminated against because of your race, color, national origin, gender, age, religion, disability, or marital or familial status, you may file a discrimination complaint. The complaint should be filed with the USDA Office of Civil Rights within 180 days of the date you became aware of the alleged discrimination. To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326W, Whitten Building, 14th and Independence Avenue, SW, Washington DC 20250-9410 or call 202-720-5964 (voice or TDD), USDA is an equal opportunity provider, employer and lender. A complaint must be filed within 180 calendar days from the date the complainant knew, or should have known, of the alleged discrimination.

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).