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FSA News - Lone Star State Edition

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From the Acting State Executive Director

As recovery efforts continue following Hurricane Harvey, local USDA representatives have teamed up with other federal and state agencies to hold informational workshops in effected counties to discuss disaster assistance programs available to farmers and ranchers impacted by this disaster.

A list of scheduled USDA Disaster Assistance workshops can be found in the "State Events" tab on the FSA Texas webpage at http://www.fsa.usda.gov/tx.

Thanks to a great partnership with Texas A&M University AgriLife Extension Service, specialists from the FSA Texas State Office and AgriLife Extension teamed up to create a series of videos to share valuable USDA and FSA Disaster Assistance program details for farmers and ranchers recovering from the devastation left by Hurricane Harvey. A link to the video series can be found on the FSA Texas home page.

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To find contact information for your local office go to: http://www.fsa.usda.gov/tx

While we continue to serve all of our farmers and ranchers across Texas, several articles in this month's State Newsletter provide important new or updated disaster assistance program information. More information on FSA disaster programs can be found at www.fsa.usda.gov/disaster.

You can find your local FSA office information at https://offices.usda.gov.

Sincerely,

Erasmo (Eddie) Trevino
Acting State Executive Director
FSA Texas State Office

Farmers, Ranchers Affected by Hurricanes Granted Extra Time, Procedures to Document, Claim Losses

USDA announced special procedures to assist producers who lost crops or livestock or had other damage to their farms or ranches as a result of hurricanes Harvey and Irma. Also, because of the severe and widespread damage caused by the hurricanes, USDA will provide additional flexibility to assist farm loan borrowers.

USDA's Farm Service Agency (FSA), is authorizing emergency procedures on a case-by-case basis to assist impacted borrowers, livestock owners, contract growers, and other producers. The measures announced today apply only to counties impacted by a National Oceanic and Atmospheric Administration-determined tropical storm, typhoon, or hurricane, including Harvey and Irma that have received a primary Presidential Disaster Declaration and those counties contiguous to such designated counties.

Financially stressed FSA farm loan borrowers affected by the hurricanes who have received primary loan servicing applications may be eligible for 60 day extensions. Full details are available at https://go.usa.gov/xRe8V. A more complete listing of all of the special farm program provisions is posted at https://go.usa.gov/xRe8p.

Among the actions announced today are lengthened deadlines for certain provisions under the Marketing Assistance Loan (MAL) program, the Farm Storage Facility Loan Program (FSFL), and the Emergency Conservation Program (ECP), the Emergency Forest Restoration Program (EFRP), the Noninsured Crop Disaster Assistance Program (NAP), and the Tree Assistance Program (TAP). Emergency grazing may also be authorized under the Conservation Reserve Program (CRP) for up to 60 days.

In addition, the deadlines to file a loss for the Livestock Indemnity Program (LIP) and the Emergency Assistance for Livestock, Honey Bees and Farm-Raised Fish (ELAP) are extended, and special provisions are provided for "acceptable proof of livestock death and inventory for livestock losses."

Farmers and ranchers affected by the hurricanes are urged to keep thorough records of all losses, including livestock death losses, as well as expenses for such things as feed purchases and other extraordinary costs because of lost supplies and or increased transportation costs.

Producers with coverage through USDA's Risk Management Agency (RMA) administered federal crop insurance program should contact their crop insurance agent for issues regarding filing claims.

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Those who purchased crop insurance will be paid for covered losses. Producers should report crop damage within 72 hours of damage discovery and follow up in writing within 15 days. The Approved Insurance Providers (AIP), loss adjusters and agents are experienced and well trained in handling these types of events. For more information see https://www.rma.usda.gov/news/stormdisaster.html.

As part of its commitment to delivering excellent customer service, RMA is working closely with AIPs that sell and service crop insurance policies to ensure enough loss adjusters will be available to process claims in the affected areas as quickly as possible.

In anticipation of flooding due to Hurricane Harvey, RMA took several proactive steps to ensure the efficient and reliable delivery of the crop insurance program. RMA authorized the use of emergency loss adjustment procedures to streamline certain loss determinations on specific crops and accelerated the adjustment of losses and issuance of indemnity payments to policyholders in all Texas and Louisiana counties impacted by Hurricane Harvey. RMA is reviewing the need for additional measures in response to Hurricane Irma.

USDA encourages all farmers and ranchers to contact their crop insurance agents and their local FSA office, as applicable, to report damages to crops or livestock loss. To find the FSA office nearest you, please visit https://offices.sc.egov.usda.gov/locator/app. Additional resources to help farmers and ranchers deal with flooding and other damage may be found at www.usda.gov/disaster.

USDA Issues Farm Safety Net, Conservation Payments

USDA Farm Service Agency announced that over $9.6 billion in payments will be made to producers through the Agriculture Risk Coverage (ARC), Price Loss Coverage (PLC) and Conservation Reserve (CRP) programs. The USDA is issuing approximately $8 billion in payments under the ARC and PLC programs for the 2016 crop year, and $1.6 billion under CRP for 2017.

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 revenue or prices for covered commodities. Over half a million producers will receive ARC payments and over a quarter million producers will receive PLC payments for 2016 crops, starting the first week of October and continuing over the next several months.

Payments are being made to producers who enrolled base acres of barley, corn, grain sorghum, lentils, oats, peanuts, dry peas, soybeans, wheat and canola. In the upcoming months, payments will be announced after marketing year average prices are published by USDA's National Agricultural Statistics Service for the remaining covered commodities. Those include long and medium grain rice (except for temperate Japonica rice), which will be announced in November; remaining oilseeds and chickpeas, which will be announced in December; and temperate Japonica rice, which will be announced in early February 2017. The estimated payments are before application of sequestration and other reductions and limits, including adjusted gross income limits and payment limitations.

Also, as part of an ongoing effort to protect sensitive lands and improve water quality and wildlife habitat, USDA will begin issuing 2017 CRP payments in October to over 375,000 Americans.

Signed into law by President Reagan in 1985, CRP is one of the largest private-lands conservation program in the United States. Thanks to voluntary participation by farmers and landowners, CRP has improved water quality, reduced soil erosion and increased habitat for endangered and threatened species. In return for enrolling in CRP, USDA, through the Farm Service Agency (FSA) on behalf of the Commodity Credit Corporation, provides participants with rental payments and cost-share assistance. Participants enter into contracts that last between 10 and 15 years. CRP payments are made to participants who remove sensitive lands from production and plant certain grasses, shrubs and trees that improve water quality, prevent erosion and increase wildlife habitat.

FSA Program Helps Recover After Non-Insured Crop Losses

The Non-Insured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occur due to natural disasters including Hurricane Harvey (includes native grass for grazing).

Eligible producers must have purchased NAP coverage for 2017 crops. A notice of loss must be filed within 15 calendar days of when the loss is apparent or 15 calendar days after the normal harvest date.

Eligible crops must be commercially produced agricultural commodities for which crop insurance is not available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

For more information on NAP, contact your local FSA office or visit www.fsa.usda.gov/nap.

Assistance for Livestock Losses Reported After Disaster

Documentation, Timely Notice of Loss Crucial to Successful Application

The Livestock Indemnity Program (LIP) provides assistance to eligible producers for livestock death losses in excess of normal mortality due to adverse weather and attacks by animals reintroduced into the wild by the federal government or protected by federal law. LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather including hurricanes, floods, blizzards, wildfires, extreme heat or extreme cold.

Eligible losses for 2017 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 or attack.

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 or,
- An application for payment by March 31, 2018

Producers should record all relevant information regarding livestock losses. This supporting documentation must be provided when losses are reported to the local FSA office, including:

- Documentation of the number, kind, type, and weight range of livestock that have died, including photographs or video records of ownership and losses, if possible
- 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, other sources to substantiate eligible death loss due to an eligible loss condition
- Documentation that livestock were removed from grazing pastures due to an eligible adverse weather or loss condition
- Costs of transporting livestock feed to eligible livestock, such as receipts for equipment rental fees for hay lifts
- Feed purchase receipts if feed supplies or grazing pastures are destroyed

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USDA has established normal mortality rates for each type and weight range of eligible livestock, i.e. Adult Beef Cow = 1.5% and Non-Adult Beef Cattle (less than 400 pounds) = 3%. These established percentages reflect losses that are considered expected or typical under "normal" conditions.

Additional Information about LIP is available at your local FSA office or online at: www.fsa.usda.gov.

FSA Offers Improved Program to Limit Losses on Forages

Reduced forage quality is now considered a production loss for weather disaster assistance coverage under the new buy-up provisions of the Farm Service Agency (FSA) Noninsured Crop Disaster Assistance Program (NAP).

This safety net is important for cattlemen who produce non-insurable forages for feeding livestock. Previously, FSA only considered a decrease in overall forage tonnage produced when determining if the producer suffered a compensable loss after a qualifying weather event. Under FSA's new NAP buy-up provisions, a decrease in forage quality – such as protein content – is also considered.

To receive coverage for the 2018 crop year, producers must enroll their eligible forage acreage in NAP by November 1, 2017. Beginning, limited resource and targeted underserved farmers or ranchers are eligible for a waiver of the NAP service fee and a 50 percent premium reduction in buy-up provisions.

For more information on NAP, visit www.fsa.usda.gov/nap.

USDA Processing Conservation Enrollment Offers

Acceptance of Most 2018 Offers Temporarily Suspended

USDA's Farm Service Agency (FSA) will process many pending eligible offers for land enrollment in the Conservation Reserve Program (CRP), and will temporarily suspend accepting most new offers until later in the 2018 fiscal year.

All current, eligible CRP continuous enrollment offers made through Sept. 30, 2017, except for those made under the Pollinator Habitat Initiative (CP42), will be approved, Additionally, FSA is temporarily suspending acceptance of most offers going forward to provide time to review CRP allocation levels, and to avoid exceeding the statutory cap of 24 million acres.

The CRP acreage cap is a provision of the 2014 Farm Bill. Current enrollment is about 23.5 million acres nationwide. USDA is accepting all pending continuous enrollment offers that were made beginning on May 4, 2017, and extending through Sept. 30, 2017, except Pollinator Habitat Initiative offers. Pollinator acreage offers are being declined because the program has met its acreage enrollment goal. Effective immediately, USDA is suspending acceptance of all new CRP continuous offers received or submitted after Sept. 30, 2017. The suspension will continue until later in the 2018 fiscal year.

However, FSA will continue to accept eligible offers for state-specific Conservation Reserve Enhancement Program (CREP) and CRP Grasslands enrollment. Offers received on or after Oct. 1, 2017, are subject to fiscal year 2018 rental rates which have been adjusted to reflect current market conditions and were established after careful review of the latest USDA National Agricultural Statistics Service (NASS) cash rent data.

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In return for enrolling in CRP, USDA, through FSA, provides participants with rental payments and cost-share assistance. Landowners enter into contracts that last between 10 and 15 years. CRP pays farmers and ranchers who remove sensitive lands from production and plant certain grasses, shrubs and trees that improve water quality, prevent soil erosion and increase wildlife habitat. Payment totals for 2017 were announced earlier this week totaling over $1.6 billion.

For more information about CRP, contact your local FSA office or visit www.fsa.usda.gov/crp. To locate your local FSA office, visit http://offices.usda.gov.

Dairy Producers Can Enroll for 2018 Coverage

Secretary Allows Producers to Opt Out

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) today announced that starting Sept. 1, 2017, dairy producers can enroll for 2018 coverage in the Margin Protection Program (MPP-Dairy). Secretary Sonny Perdue has utilized additional flexibility this year by providing dairy producers the option of opting out of the program for 2018.

To opt out, a producer should not sign up during the annual registration period. By opting out, a producer would not receive any MPP-Dairy benefits if payments are triggered for 2018. Full details will be included in a subsequent Federal Register Notice. The decision would be for 2018 only and is not retroactive.

The voluntary program, established by the 2014 Farm Bill, provides financial assistance to participating dairy producers when the margin – the difference between the price of milk and feed costs – falls below the coverage level selected by the producer.

MPP-Dairy gives participating dairy producers the flexibility to select coverage levels best suited for their operation. Enrollment ends on Dec. 15, 2017, for coverage in calendar year 2018. Participating farmers will remain in the program through Dec. 31, 2018, and pay a minimum $100 administrative fee for 2018 coverage. Producers have the option of selecting a different coverage level from the previous coverage year during open enrollment.

Dairy operations enrolling in the program must meet conservation compliance provisions and cannot participate in the Livestock Gross Margin Dairy Insurance Program. Producers can mail the appropriate form to the producer's administrative county FSA office, along with applicable fees, without necessitating a trip to the local FSA office. If electing higher coverage for 2018, dairy producers can either pay the premium in full at the time of enrollment or pay 100 percent of the premium by Sept. 1, 2018. Premium fees may be paid directly to FSA or producers can work with their milk handlers to remit premiums on their behalf.

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, available at www.fsa.usda.gov/mpptool, 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, 24 hours a day, seven days a week.

For more information, visit FSA online at www.fsa.usda.gov/dairy or stop by a local FSA office to learn more about the MPP-Dairy.

Payments to Deceased Producers

In order to claim a Farm Service Agency (FSA) payment on behalf of a deceased producer, all program conditions for the payment must have been met before the applicable producer's date of death.

If a producer earned a FSA payment prior to becoming deceased, the following is the order of precedence of the representatives of the producer:

- administrator or executor of estate
- surviving spouse
- surviving sons and daughters, including adopted children
- surviving father and mother
- surviving brothers and sisters
- heirs of deceased person who would be entitled to payment according to State law

In order for FSA to release the payment, the legal representative of the deceased producer must file a form FSA-325, to claim the payment for themselves or an estate. The county office will verify and determine that the application, contract, loan agreement, or other similar form requesting payment issuance, was signed by the applicable deadline for such form, by the deceased or a person legally authorized to act on their behalf at that time of application.

If the application, contract or loan agreement form was signed by someone other than the participant who is deceased, FSA will determine whether the person submitting the form has the legal authority to submit the form to compel FSA to pay the deceased participant.

Payments will be issued to the respective representative's name using the deceased program participant's tax identification number. Payments made to representatives are subject to offset regulations for debts owed by the deceased.

FSA is not responsible for advising persons in obtaining legal advice on how to obtain program benefits that may be due to a participant who has died, disappeared or who has been declared incompetent.

Supervised 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.

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.

Final Planting Dates

All producers are encouraged to contact their local FSA office for more information on the final planting date for specific crops. The final planting dates vary by crop, planting period and county so please contact your local FSA office for a list of county-specific planting deadlines. The timely planting of a crop, by the final planting date, may prevent loss of program benefits.

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).