July 2018

United States Department of Agriculture

Farm Service Agency Electronic News Service

NEWSLETTER

GovDelivery

Having trouble viewing this email? View it as a Web page.

FSA News - Lone Star State Edition

Farm Service Agency
Texas State Office
2405 Texas Ave. South
College Station, Texas 77840
Phone: 979-680-5151

State Executive Director:
Gary L. Six

State Committee:
Jerry Harris - Chair
Juan Garcia
Rodney Schronk
Michael Skalicky
Linda G. Williams

From the State Executive Director

FSA's network of county offices allows us to understand and meet individual needs in a uniquely customer-focused way. The close, day-to-day relationship with our local farmers and ranchers is one of my favorite things about FSA. A very important part of keeping strong community connections is through FSA County Committees.

The nomination period for 2018 county committee elections began in June, and continues until August 1, 2018.

County committee members are nominated and elected by other area producers. During their three-year term, a county committee member is a critical part of day-to-day local FSA operations.

(Continued…)

Executive Officer:
Erasmo (Eddie) Trevino

Division Chiefs:
Ronda Arnett
Roel Garza
Raymond Marr
Scott Reed
David Sullivan

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

Any producer who participates or cooperates in FSA programs and resides in the election area, also known as the local administrative area (LAA), is eligible to serve on a county committee. Organizations, including those representing beginning farmers, women, and minority producers, are also encouraged to nominate candidates to better serve their communities. Check your local USDA service center to see if your local administrative area is up for election this year.

Nomination forms can be found at your local FSA office or online at http://www.fsa.usda.gov/elections. Nominations must be postmarked or received at the local FSA office by Aug. 1, 2018.

Election ballots will be mailed to eligible voters beginning Nov. 5, 2018. Visit farmers.gov or contact your local FSA county office for more information. To find your local FSA county office, visit http://offices.usda.gov.

Sincerely,

Gary L. Six
State Executive Director

USDA Resumes Continuous Conservation Reserve Program Enrollment

One-Year Extension for Holders of Many Expiring Contracts through Continuous Signup

As part of a 33-year effort to protect sensitive lands and improve water quality and wildlife habitat on private lands, the U.S. Department of Agriculture (USDA) will resume accepting applications for the voluntary Conservation Reserve Program (CRP). Eligible farmers, ranchers, and private landowners can sign up at their local Farm Service Agency (FSA) office between June 4 and Aug. 17, 2018.

FSA stopped accepting applications last fall for the CRP continuous signup (excluding applications for the Conservation Reserve Enhancement Program (CREP) and CRP grasslands). This pause allowed USDA to review available acres and avoid exceeding the 24 million-acre CRP cap set by the 2014 Farm Bill. New limited practice availability and short sign up period helps ensure that landowners with the most sensitive acreage will enroll in the program and avoid unintended competition with new and beginning farmers seeking leases. CRP enrollment currently is about 22.7 million acres.

2018 Signup for CRP

For this year's signup, limited priority practices are available for continuous enrollment. They include grassed waterways, filter strips, riparian buffers, wetland restoration and others. View a full list of practices.

FSA will use updated soil rental rates to make annual rental payments, reflecting current values. It will not offer incentive payments as part of the new signup.

USDA will not open a general signup this year, however, a one-year extension will be offered to existing CRP participants with expiring CRP contracts of 14 years or less. Producers eligible for an extension will receive a letter with more information.

(Cont'd…)

CRP Grasslands

Additionally, FSA established new ranking criteria for CRP Grasslands. To guarantee all CRP grasslands offers are treated equally, applicants who previously applied will be asked to reapply using the new ranking criteria. Producers with pending applications will receive a letter providing the options.

About CRP

In return for enrolling land in CRP, USDA, through FSA on behalf of the Commodity Credit Corporation (CCC), provides participants with annual rental payments and cost-share assistance. Landowners enter into contracts that last between 10 and 15 years. CRP pays producers who remove sensitive lands from production and plant certain grasses, shrubs and trees that improve water quality, prevent soil erosion and increase wildlife habitat.

The new changes to CRP do not impact the Conservation Reserve Enhancement Program, a related program offered by CCC and state partners.

Producers wanting to apply for the CRP continuous signup or CRP grasslands should contact their USDA service center. To locate your local FSA office, visit https://www.farmers.gov. More information on CRP can be found at www.fsa.usda.gov/crp.

Transitioning Expiring CRP Land to Beginning, Veteran, Underserved Farmers, Ranchers

Retired or retiring landowners or operators are encouraged to transition their Conservation Reserve Program (CRP) acres to beginning, veteran, or underserved farmers or ranchers through the Transition Incentives Program (TIP). TIP provides annual rental payments to the retiring farmer for up to two additional years after the CRP contract expires, provided the transition is not to a family member.

Enrollment in TIP is on a continuous basis. Beginning, veteran, or underserved farmers and ranchers and retiring CRP participants may enroll in TIP beginning one year before the expiration date of the CRP contract or Aug. 15. For example, if a CRP contract is scheduled to expire on Sept. 30, 2018, the land may be offered for enrollment in TIP beginning Oct. 1, 2017, through Aug. 15, 2018. The Aug. 15 deadline allows the Natural Resources Conservation Service (NRCS) time to complete the TIP sustainable grazing or crop production conservation plans. The TIP application must be submitted prior to completing the lease or sale of the affected lands.

New landowners or renters must return the land to production using sustainable grazing or farming methods.

For more information on TIP, visit https://www.fsa.usda.gov/conservation.

USDA Partners with Texas A&M to Help Veterans Seeking Agriculture Loans and Careers

USDA announced a partnership with Texas A&M's AgriLife Extension Service to help military veterans obtain loans and pursue careers as farmers and ranchers. Secretary Perdue recently joined local dignitaries, members of the Armed Forces, veterans, and community leaders at the Dallas Farmers Market to unveil the new pilot program.

(Cont'd…)

USDA's Farm Service Agency (FSA) is collaborating with Texas A&M AgriLife Extension Service on the pilot, which is part of the *Battleground to Breaking Ground* project. The program makes it easier for veterans to meet federal requirements to get FSA direct farm ownership loans, which can help provide access to land and capital.

The pilot program includes 15 to 18 veterans, and will roll out over a period of 12 to 18 months in three phases: an introductory workshop, a business planning curriculum, and a production curriculum.

Typically, loan applicants must participate in the business operations of a farm for at least three years during a 10-year period. However, as part of this pilot program, participants can combine the certificate they receive with their military leadership or management experience to satisfy this requirement. According to the U.S. Department of Labor, approximately 45 percent of armed service members are from rural America.

Pilot program applications are being accepted from interested veterans between June 15 and July 20, 2018, until 11 p.m. central standard time (apply here). For more information about USDA programs, visit newfarmers.usda.gov/veterans or https://www.farmers.gov.

To learn about other ways USDA is supporting veterans, visit https://www.usda.gov/our-agency/initiatives/veterans, and watch https://www.youtube.com/watch?v=OAeLqXHUU3w.

Beginning Farmer Loans

FSA assists beginning farmers in financing 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 Streamlines Guaranteed Loans, Adds Lender Category for Small-Scale Operators

Options Help More Beginning, Small, Urban Producers Gain Access to Credit

The U.S. Department of Agriculture (USDA) announced the availability of a streamlined version of USDA guaranteed loans, which are tailored for smaller scale farms and urban producers. The program, called EZ Guarantee Loans, uses a simplified application process to help beginning, small, underserved and family farmers and ranchers apply for loans of up to $100,000 from USDA-approved lenders to purchase farmland or finance agricultural operations.

A new category of lenders will join traditional lenders, such as banks and credit unions, in offering USDA EZ Guarantee Loans. Microlenders, which include Community Development Financial Institutions and Rural Rehabilitation Corporations, will be able to offer their customers up to $50,000 of EZ Guaranteed Loans, helping to reach urban areas and underserved producers. Banks, credit unions and other traditional USDA-approved lenders, can offer customers up to $100,000 to help with agricultural operation costs.

(Cont'd…)

EZ Guarantee Loans offer low interest rates and terms up to seven years for financing operating expenses and 40 years for financing the purchase of farm real estate. USDA-approved lenders can issue these loans with the Farm Service Agency (FSA) guaranteeing the loan up to 95 percent.

More information about the available types of FSA farm loans can be found at www.fsa.usda.gov/farmloans or by contacting your local FSA office.

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 has been declared incompetent.

Farm Storage Facility Loans

FSA's Farm Storage Facility Loan (FSFL) program provides low-interest financing to producers to build or upgrade storage facilities or purchase portable (new or used) structures, equipment, and storage and handling trucks.

The low-interest funds can be used to build or upgrade permanent facilities to store commodities.

(Cont'd…)

Eligible commodities include corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds harvested as whole grain, pulse crops (lentils, chickpeas and dry peas), hay, honey, renewable biomass, fruits, nuts, and vegetables for cold storage facilities, floriculture, hops, maple sap, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Qualified facilities include grain bins, hay barns, and cold storage facilities for eligible commodities.

Loans up to $50,000 can be secured by a promissory note/security agreement and loans between $50,000 and $100,000 may require additional security. Loans exceeding $100,000 require additional security.

Producers do not need to demonstrate the lack of commercial credit availability to apply. The loans are designed to assist a diverse range of farming operations, including small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

To learn more about the FSA Farm Storage Facility Loan, visit www.fsa.usda.gov/pricesupport or contact your local FSA county office. To find your FSA county office, visit http://offices.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.

USDA to Help Producers Prepare for Addition of Seed Cotton to Two Key Safety Net Programs

The U.S. Department of Agriculture (USDA) has begun sending acreage history and yield reports to agricultural producers with generic base acres covered by the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs.

The Bipartisan Budget Act of 2018 amended the 2014 Farm Bill, adding seed cotton as a covered commodity under the ARC and PLC programs. FSA has begun sending information on current generic base acres, yields and 2008-2012 planting history.

The updates are an important part of preparing agricultural producers to make decisions on allocating generic basic acres and updating yields for seed cotton. This summer, producers will have an opportunity to allocate their generic base acres and update their seed cotton yield.

All producers electing to participate in either the ARC or PLC program will be required to make a one-time, unanimous and irrevocable election, choosing between price protection and county revenue protection for the 2018 crop year for seed cotton only. Producers who elected ARC with the individual farm option will continue with that option since that election is applicable to all base acre on the farm. The final step to participate requires producers with farms with seed cotton base acres to sign contracts for ARC or PLC for 2018 this summer.

(Cont’d…)

The anticipated timeline is:

- June 29: Producers mailed letters notifying them of current generic base acres, yields, 2008 to 2012 planting history
- July: Online decision tool for ARC and PLC becomes available; Producers have opportunity to update yields and allocate generic base acres for ARC and PLC
- Late July: ARC and PLC one-time elections occur for seed cotton
- Late July: ARC and PLC sign-up for 2018 starts for farms with seed cotton base acres

For more information, contact your local Farm Service Agency. To find an FSA office near you, visit: http://offices.usda.gov.

FSA Offers Safety Net Programs for Honeybee Producers

The Farm Service Agency (FSA) administers two programs that have specific safety net benefits for producers of honeybees and honey. The Noninsured Crop Disaster Assistance Program (NAP) and the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) assist producers when disasters impact honey production or damage or destroy colonies, hives or honeybee feed.

NAP is designed to reduce financial losses when natural disasters result in lower yields or crop losses, including honey. NAP coverage is equivalent to catastrophic insurance, meaning it covers up to 50 percent of a producer's normal yield (must have at least a 50 percent loss) at 55 percent of the average market price. The NAP service fee is the lesser of $250 per crop or $750 per producer per administrative county, not to exceed a total of $1,875 for a producer with farming interests in multiple counties. Eligible causes of loss include drought, freeze, hail, excessive moisture, excessive wind, hurricanes, earthquake, flood, and conditions related to damaging weather such as excessive heat, plant disease, volcanic smog or insect infestation.

Producers must apply for NAP coverage by Dec. 1 prior to the year for which they are seeking coverage.

ELAP covers colony losses, hive losses, and the loss of purchased feed intended for honeybees. For colony losses, producers must have losses in excess of normal mortality (normal mortality is 22 percent) as a direct result of an eligible adverse weather event or loss condition. For hive losses, the hive must have been damaged or destroyed as a result of an eligible adverse weather event or loss condition. Eligible adverse weather or loss conditions include Colony Collapse Disorder (for colony losses only), earthquake, eligible winter storm (colony loss only), excessive wind, flood, hurricane, lighting, tornado, and wildfire. For purchased feed, the program covers feed purchased above normal quantities to sustain bees during an eligible adverse weather event or loss condition. Under ELAP, the producer must provide documentation that best management practices are being followed.

Both the NAP and ELAP programs require producers to report the number of colonies they have in production to FSA by Jan. 2, 2019. Honeybee producers must notify FSA within 30 calendar days of changes in the total number of colonies or when honeybees are moved to another county.

For ELAP, producers must notify FSA within 30 calendar days of when a loss occurs or from when the loss is apparent. Producers with NAP coverage must file a Notice of Loss within 15 days of the occurrence of the disaster or when losses become apparent.

To learn more about programs for honey and honeybee producers, contact your local FSA office.