



NEWSLETTER



June 2015

Idaho Farm Service Agency

9173 West Barnes Drive
Suite B
Boise, ID 83709

www.fsa.usda.gov/id

State Committee

Scott McLeod, Chair
Bobbi Bodine
Sherry Crutcher
Matt Gellings
Amy Manning

Executive Director

Mark Samson

Farm Loan Chief

Aaron Johnson

Farm Program Chief

Jeff Mitchell

To find contact information for your local office you can go to www.fsa.usda.gov/id and select County Offices.

FROM MARK SAMSON, STATE EXECUTIVE DIRECTOR (SED)

My years of service to Idaho's producers provided the knowledge that our industry is blessed with abundant resources that are managed by hard working individuals to provide significant economic benefit to all of Idaho's citizens. Since being appointed SED, I have found a hidden or underappreciated resource that most in our industry do not recognize: FSA Employees.

I just finished a statewide "employee engagement" discussion with each of our 29 county offices to discuss an employee survey completed in 2014. I asked each employee: what is the most satisfying aspect of your job? The highest response? "... helping the producers in my county succeed!"

From issuing a farm ownership or microloan, to ensuring relief when a disaster strikes, to ensuring that all of the paperwork required so that you receive the income or price protection or insurance premium subsidies to which you are entitled, the FSA employees that provide these services are dedicated to helping you grow and protect your enterprise and ultimately, prosper.

As evidence, our employees were tasked with ensuring that all producers who were not, but wanted to be in compliance with regulations needed to receive crop insurance premium relief had the necessary documentations on file. Not a FSA program, but they were asked to assist. Collectively they responded and over 13,000 farms can be insured if the operator/owner so chooses.

Next time you visit your County FSA office, offer your thanks for the employee's dedication to assisting with your success. Your wellbeing is their highest level of job satisfaction!

USDA ANNOUNCES RESTART OF BIOMASS CROP ASSISTANCE PROGRAM FOR RENEWABLE ENERGY

USDA announced that incentives will resume for farmers, ranchers and forest landowners interested in growing and harvesting biomass for renewable energy. The support comes through the Biomass Crop Assistance Program (BCAP), which was reauthorized by the 2014 Farm Bill. BCAP provides financial assistance to establish and maintain new crops of energy biomass, or who harvest and deliver forest or agricultural residues to a qualifying energy facility.

Financial assistance is available through BCAP for costs associated with harvesting and transporting agriculture or forest residues to facilities that convert biomass crops into energy. Eligible crops may include corn residue, diseased or insect infested wood materials, or orchard waste. The energy facility must first be approved by USDA to accept the biomass crop. Facilities can apply for, or renew, their BCAP qualification status but must do so by June 12, 2015. \$11.5 million of federal funds will be allocated to support the delivery of biomass materials through December 2015. Last year, more than 200,000 tons of dead or diseased trees from National Forests and Bureau of Land Management lands were removed and used to produce renewable energy, while reducing the risk of forest fire. Nineteen energy facilities in 10 states participated in the program.

Farmers, ranchers and forest landowners can also receive financial assistance to grow biomass crops that will be converted into energy in selected BCAP project areas. New BCAP project area proposals will be solicited beginning this summer and accepted through fall 2015, with new project area announcements and enrollments taking place in early spring 2016. The extended proposal submission period allows project sponsors time to complete any needed environmental assessments and allows producers enough lead time to make informed decisions on whether or not to pursue the BCAP project area enrollment opportunity. This fiscal year USDA's Farm Service Agency (FSA) will allocate up to \$8 million for producer enrollment to expand and enhance existing BCAP project areas. Additionally, in accordance with the 2014 Farm Bill, underserved farmers are eligible for a higher establishment cost share. BCAP projects have supported over 50,000 acres across 74 counties in 11 different project areas.

FILING A NOTICE OF LOSS

The CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. Timely filing a Notice of Loss is required for all crops including grasses. For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP) and crop insurance, you must file a CCC-576, Notice of Loss, in the FSA County Office within 15 days of the occurrence of the disaster or when losses become apparent.

Producers of hand-harvested crops must notify FSA of damage or loss through the administrative County Office within 72 hours of the date of damage or loss first becomes apparent. This notification can be provided by filing a CCC-576, email, fax or phone. Producers who notify the County Office by any method other than by filing the CCC-576 are still required to file a CCC-576, Notice of Loss, within the required 15 calendar days.

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

ARC AND PLC ACREAGE MAINTENANCE

Idaho producers enrolled in Agriculture Risk Coverage (ARC), Price Loss Coverage (PLC) must protect all cropland and noncropland acres on the farm from wind and water erosion and noxious weeds. Producers who sign ARC county or individual contracts and PLC contracts agree to effectively control noxious weeds on the farm according to sound agricultural practices. If a producer fails to take necessary actions to correct a maintenance problem on a farm that is enrolled in ARC, PLC or CTAP, the County Committee may elect to terminate the contract for the program year.

A list of noxious weeds can be found on the following website: <http://plants.usda.gov/java/noxiousDriver>.

TREE ASSISTANCE PROGRAM (TAP) SIGN-UP

Orchardists and nursery tree growers who experience losses from natural disasters during calendar year 2015 must submit a TAP application either 90 calendar days after the disaster event or the date when the loss is apparent. TAP was authorized by the Agricultural Act of 2014 as a permanent disaster program. TAP provides financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes and vines damaged by natural disasters.

Eligible tree types include trees, bushes or vines that produce an annual crop for commercial purposes. Nursery trees include ornamental, fruit, nut and Christmas trees that are produced for commercial sale. Trees used for pulp or timber are ineligible.

To qualify for TAP, orchardists must suffer a qualifying tree, bush or vine loss in excess of 15 percent mortality from an eligible natural disaster. The eligible trees, bushes or vines must have been owned when the natural disaster occurred;

however, eligible growers are not required to own the land on which the eligible trees, bushes and vines were planted.

If the TAP application is approved, the eligible trees, bushes and vines must be replaced within 12 months from the date the application is approved. The cumulative total quantity of acres planted to trees, bushes or vines, for which a producer can receive TAP payments, cannot exceed 500 acres annually.

FARM LOAN PROGRAMS

Direct Loans

FSA offers direct farm ownership and direct farm operating loans to producers who want to establish, maintain or strengthen their farm or ranch. FSA loan officers process, approve and service direct loans.

Direct farm operating loans can be used to purchase livestock and feed, farm equipment, fuel, farm chemicals, insurance and other costs including family living expenses. Operating loans can also be used to finance minor improvements or repairs to buildings and to refinance some farm-related debts, excluding real estate.

Direct farm ownership loans can be used to purchase farmland, enlarge an existing farm, construct and repair buildings, and to make farm improvements.

The maximum loan amount for both direct farm ownership and operating loans is \$300,000 and a down payment is not required. 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 local FSA office for more information or to apply for a direct farm ownership or operating loan.

USDA ANNOUNCES CHANGES TO FRUIT AND VEGETABLE (FAV) PLANTING RULES

Farm Service Agency (FSA) has announced fruit and vegetable 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 acre-for-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.

MAL AND LDP POLICY CHANGES FOR CROP YEARS 2015-2018

The Agricultural Act of 2014 authorized 2014-2018 crop year Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs), with a few minor policy changes.

Among the changes, farm-stored MAL collateral transferred to warehouse storage will retain the original loan rate, be allowed to transfer only the outstanding farm-stored quantity with no additional quantity allowed and will no longer require producers to have a paid for measurement service when moving or commingling loan collateral.

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, wool and honey. MALs provide producers interim financing after harvest to help them meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available. Marketing loan provisions and LDPs are not available for sugar and extra-long staple cotton.

FSA is now accepting requests for 2015 MALs and LDPs for wool as well as LDPs for unshorn pelts. MAL and LDP requests for all other eligible commodities will be accepted after harvest. FSA continues to accept MAL and LDP requests for 2014 crops with upcoming deadlines.

Before LDP disbursements can be made, producers must meet the requirements of actively engaged in farming, cash rent tenant and member contribution.

Additionally, form CCC-902 and CCC-901 must be submitted for the 2014 crop year, if applicable, with a county committee determination and updated subsidiary files.

To be considered eligible for an LDP, producers must have form CCC-633EZ, Page 1 on file at their local FSA Office before losing beneficial interest in the crop. Pages 2, 3 or 4 of the form must be submitted when payment is requested.

The 2014 Farm Bill also establishes payment limitations per individual or entity not to exceed \$125,000 annually on certain commodities for the following program benefits: price loss coverage payments, agriculture risk coverage payments, marketing loan gains (MLGs) and LDPs. These payment limitations do not apply to MAL loan disbursements.

Adjusted Gross Income (AGI) provisions were modified by the 2014 Farm Bill, which states that a producer whose total applicable three-year average AGI exceeds \$900,000 is not eligible to receive an MLG or LDP.

For more information and additional eligibility requirements, please visit a nearby USDA Service Center or FSA's website www.fsa.usda.gov.

MPP FOR DAIRY SIGN-UPS BEGIN JULY 1, 2015

The Margin Protection Program for Dairy (MPP-Dairy) is a voluntary risk management program for dairy producers authorized by the 2014 Farm Bill through Dec. 31, 2018. The MPP-Dairy offers protection to dairy producers when the difference between the all milk price and the average feed cost (the margin) falls below a certain dollar amount selected by the producer.

Eligible dairy operations must register for coverage at the Farm Service Agency (FSA) office where their farm records are maintained by:

- Establishing a production history by completing and submitting form CCC-781, "Production History Establishment";
- Completing and submitting form CCC-782, "Contract and Annual Coverage Election";
- Paying the \$100 administrative fee and;
- Paying the premium, if any.

A minimum administrative fee of \$100 is required to be paid for each covered year through the duration of the program. Additional fees may apply for higher coverage levels.

DATES TO REMEMBER	
June 12	BCAP Facility Deadline
July 1	Sign-up for MPP Dairy Begins
July 3	Offices Closed for July 4th Holiday
July 15	Crop Reporting Deadline
April 1 to August 1	Primary Nesting Season – No Grazing on CRP acres.

Selected Interest Rates for June 2015	
Farm Operating Loans — Direct	2.375%
Farm Ownership Loans — Direct	3.50%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	3.375%
Farm Storage Facility Loans (7 years)	1.875%

The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department (not all prohibited bases apply to all programs). Individuals who are deaf, hard of hearing or have speech disabilities and wish to file a program complaint must contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 845-6136 (in Spanish). Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, etc.) must contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax at (202) 690-7442 or e-mail at program.intake@usda.gov. USDA is an equal opportunity provider and employer.