

July 2017



Farm Service Agency Electronic News Service

NEWSLETTER

GovDelivery

- [Be Palmer Amaranth Aware](#)
- [Just Around the Corner](#)
- [USDA Encourages Producers to Consider Risk Protection Coverage before Crop Sales Deadlines](#)
- [FSA Offers Improved Program to Limit Losses on Forages](#)
- [MAL and LDP Policy](#)
- [ARC/PLC Acreage Maintenance](#)
- [Loans for Targeted Underserved Producers](#)
- [Supervised Credit](#)
- [July 2017 Interest Rates](#)

Michigan FSA Newsletter

Michigan Farm Service Agency

3001 Coolidge Road,
Suite 350
East Lansing, MI 48429

Phone: 517-324-5110
Fax: 855-647-0827

www.fsa.usda.gov/mi

State Executive Director:
Troy Nichols (acting)

State Committee:
Cheryl Kobernik, Chair
Art Lister, Jr.
Annette Magda
Dr. Eddie Moore
Robert Walther

Division Chiefs:
David Russ, Farm Loan
Greg Todd, Prod. Adjustment
Ken Schapman, Price Sppt.
Dale Allen, Conservation

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

Be Palmer Amaranth Aware

Palmer amaranth is a fast-growing, problematic broadleaf weed native to the Southwest. Recently, this weed has been spread to other parts of the nation. It is a highly competitive weed that has developed resistance to many herbicides, making it difficult to control. It is a very prolific seed producer, producing up to 250,000 seeds from one plant.

As you spend time in your fields this summer, be on the lookout for Palmer amaranth. If you suspect Palmer amaranth is on your property, contact your local county extension agent or crop consultant for recommendations for control. You can take steps to help prevent further infestation by not entering affected areas, and always cleaning vehicles, equipment and clothing that has come in contact with the weed.

Those planting grasses and flower mixes for conservation plantings should only use local reputable sources. Obtaining a seed laboratory report before purchasing a seed mix is recommended. Reject any seed lots which have "pigweed" or "amaranth" as a weed component unless the pigweed seed has been genetically tested to not be Palmer amaranth.

Click [here](#) to learn more about Palmer amaranth and how to identify it.

Just Around the Corner

July 15: Acreage reports due for spring planted feed grains, CRP and most other crops. Contact your local service center for full list.

August 1: ARC/PLC annual enrollment deadline

August 1: County Office Committee nominations deadline

September 30: NAP perennial forage, fall seeded small grains and grazing application closing date for 2018 crop year

The dates here are provided for general reference. Some areas and crops may have dates that differ from the general guidelines above. It is the producer's responsibility to personally verify deadlines applicable to each farm's crops with the appropriate Farm Service Agency county office.

USDA Encourages Producers to Consider Risk Protection Coverage before Crop Sales Deadlines

The Farm Service Agency encourages producers to examine available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the applicable crop sales deadline.

Producers are reminded that crops not covered by insurance may be eligible for NAP. The 2014 Farm Bill expanded NAP to include higher levels of protection. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage, as well as discounted premiums for additional levels of protection."

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

Producers can determine if crops are eligible for federal crop insurance or NAP by visiting the [USDA Actuarial Information Browser](#).

NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production, with higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price, including coverage for organics and crops marketed directly to consumers.

Deadlines for coverage vary by state and crop. To learn more about NAP visit www.fsa.usda.gov/nap or contact your local USDA Service Center. To find your local USDA Service Centers go to <http://offices.usda.gov>.

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at [USDA's online Agent Locator](#). Producers can use the [USDA Cost Estimator](#) to predict insurance premium costs.

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 in NAP by Sept. 30, 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.

MAL and LDP Policy

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.

FSA is now accepting requests for 2017 MALs and LDPs for all eligible commodities after harvest. Requests for loans and LDPs shall be made on or before the final availability date for the respective commodities.

Before MAL repayments with a market loan gain or LDP disbursements can be made, producers must meet the requirements of actively engaged in farming, cash rent tenant and member contribution.

Commodity certificates are available to loan holders who have outstanding nonrecourse loans for wheat, feed grains, pulse crops (dry peas, lentils, large and small chickpeas), wool, soybeans and designated minor oilseeds. These certificates can be purchased at the posted county price (or adjusted world price or national posted price) for the quantity of commodity under loan, and must be immediately exchanged for the collateral, satisfying the loan. MALs redeemed with commodity certificates are not subject to the actively engaged in farming, cash-rent tenant, Adjusted Gross Income provisions or the payment limitation.

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 or redemptions using commodity certificate exchange.

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. Producers must have a valid CCC-941 on file to earn a market gain of LDP. The AGI does not apply to MALs redeemed with commodity certificate exchange.

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

ARC/PLC Acreage Maintenance

Producers enrolled in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs 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 or PLC, the County Committee may elect to terminate the contract for the program year.

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 applicants.

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.

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.

July 2017 Interest Rates

Farm Storage Facility Loans:

- 1.500% for 3 year loan terms
- 1.750% for 5 year loan terms
- 2.000% for 7 year loan terms
- 2.250% for 10 year loan terms
- 2.250% for 12 year loan terms

Crop Year 2017 Commodity Loans:

- 2.125%

Farm Ownership and Farm Operating Loans:

- 2.875% for Farm Operating - Direct
- 3.875% for Farm Ownership - Direct
- 2.500% for Farm Ownership - Direct, Joint Financing
- 1.500% for Farm Ownership - Down Payment
- 3.750% for Emergency Loan - Amount of Actual Loss

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).