#### January 2018





# Farm Service Agency Electronic News Service

# NEWSLETTER

## GovDelivery

- Note from the State Executive Director
- Just Around the Corner
- Deadlines Approaching for FSA Livestock Disaster Assistance Programs
- Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program (ELAP)
- USDA Encourages Producers to Consider Risk Protection Coverage before Crop Sales Deadlines
- Breaking New Ground
- USDA and SCORE Launch Innovative Mentorship Effort in Michigan to Support New Farmers and Ranchers
- January 2018 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:**

Joel Johnson

#### **State Committee:**

Sally McConnachie, Chair Blaine Baker Ben Lacross Matt Schwab Isaiah Wunsch

#### **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 <a href="https://www.fsa.usda.gov/mi">www.fsa.usda.gov/mi</a>.

### **Note from the State Executive Director**

Happy New Year!

While looking over business and financial plans for 2018, farmers and ranchers are reminded of the many variables that affect their operations.

2017 was especially difficult for many farms across Michigan, with 72 out of 83 Michigan counties designated as primary or contiguous disaster areas due to flooding, excessive rain and late frost or freezing weather events.

As you consider your farming plans for 2018, keep in mind that the Farm Service Agency provides risk mitigation, disaster assistance and farm lending programs to assist Michigan farms through both bad and fair weather.

Our professional staff stands ready to assist you with any of these programs, upon your request.

### **Just Around the Corner**

January 15: Acreage report deadline for crop year 2018 perennial fruits

January 15: Offices closed for Martin Luther King, Jr.'s birthday

**February 1:** NAP application closing date for onions.

February 5: Census of Agriculture responses due

February 19: Offices closed for Washington's birthday

March 15: NAP application closing date for spring planted grains and most vegetables

**March 31:** MAL and LDP deadline for prior year harvested wheat, barley, canola, crambe, flaxseed, honey, oats, rapeseed and sesame

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 their local Farm Service Agency county office.

## **Deadlines Approaching for FSA Livestock Disaster Assistance Programs**

Livestock producers are reminded that deadlines for the Livestock Forage Disaster Program (LFP) and the Livestock Indemnity Program (LIP) are quickly approaching.

The deadline to apply for LFP benefits for 2017 grazing losses is Jan. 30, 2018. Eligible livestock producers must complete a CCC-853 and submit the required supporting documentation by the deadline. LFP provides compensation to eligible livestock producers who suffer grazing losses for covered livestock due to drought on privately owned or cash leased land or fire on federally managed land.

Producers with eligible livestock losses must submit a LIP application for payment by March 31, 2018. 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.

For 2017, eligible LIP 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 or attack. A notice of loss must be filed with FSA within 30 days of when the loss of livestock is apparent. Participants must provide the following 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.

- · Proof of death documentation
- Copy of growers contracts
- Proof of normal mortality documentation

Please contact to your local FSA office to make an appointment to apply for LFP or LIP benefits.

# Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program (ELAP)

The Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) provides emergency assistance to eligible livestock, honeybee, and farm-raised fish producers who have losses due to disease, adverse weather or other conditions, such as blizzards and wildfires, not covered by other agricultural disaster assistance programs.

Eligible livestock losses include grazing losses not covered under the Livestock Forage Disaster Program (LFP), loss of purchased feed and/or mechanically harvested feed due to an eligible adverse weather event, additional cost of transporting water because of an eligible drought and additional cost associated with gathering livestock to treat for cattle tick fever.

Eligible honeybee losses include loss of purchased feed due to an eligible adverse weather event, cost of additional feed purchased above normal quantities due to an eligible adverse weather condition, colony losses in excess of normal mortality due to an eligible weather event or loss condition, including CCD, and hive losses due to eligible adverse weather.

Eligible farm-raised fish losses include death losses in excess of normal mortality and/or loss of purchased feed due to an eligible adverse weather event.

Producers who suffer eligible livestock, honeybee, or farm-raised fish losses from Oct. 1, 2017 to Sept. 30, 2018 must file:

- A notice of loss the earlier of 30 calendar days of when the loss is apparent or by Nov. 1, 2018
- An application for payment by Nov. 1, 2018

The Farm Bill caps ELAP disaster funding at \$20 million per federal fiscal year.

The following ELAP Fact Sheets (by topic) are available online:

- ELAP for Farm-Raised Fish Fact Sheet
- ELAP for Livestock Fact Sheet
- ELAP for Honeybees Fact Sheet

To view these and other FSA program fact sheets, visit the FSA fact sheet web page at <a href="www.fsa.usda.gov/factsheets">www.fsa.usda.gov/factsheets</a>.

# 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 <a href="https://webapp.rma.usda.gov/apps/actuarialinformationbrowser2017/CropCriteria.aspx">https://webapp.rma.usda.gov/apps/actuarialinformationbrowser2017/CropCriteria.aspx</a>.

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 Centers go to <a href="http://offices.usda.gov">http://offices.usda.gov</a>/.

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: <a href="http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#">http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#</a>. Producers can use the USDA Cost Estimator, <a href="https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx">https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx</a>, to predict insurance premium costs.

## **Breaking New Ground**

Agricultural producers are reminded to consult with FSA and NRCS before breaking out new ground for production purposes as doing so without prior authorization may put a producer's federal farm program benefits in jeopardy. This is especially true for land that must meet Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions.

Producers with HEL determined soils are required to apply tillage, crop residue and rotational requirements as specified in their conservation plan.

Producers should notify FSA as a first point of contact prior to conducting land clearing or drainage type projects to ensure the proposed actions meet compliance criteria such as clearing any trees to create new cropland, then these areas will need to be reviewed to ensure such work will not risk your eligibility for benefits.

Landowners and operators complete the form AD-1026 - Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification to identify the proposed action and allow FSA to determine whether a referral to Natural Resources Conservation Service (NRCS) for further review is necessary.

# **USDA and SCORE Launch Innovative Mentorship Effort in Michigan to Support New Farmers and Ranchers**

USDA is collaborating with SCORE – <u>www.score.org</u> – the nation's largest network of volunteer, expert business mentors in an effort to provide free business mentoring to farmers, ranchers and other agricultural and rural business owners.

SCORE volunteer mentors with backgrounds in finance, accounting, marketing, operations, business and financial planning will provide local expertise and free one-on-one business mentoring to new and existing farmers and business owners as they work through the process of starting up and maintaining their businesses. No matter what stage your business is in, SCORE volunteer mentors can help in developing business plans, navigating financing and legal issues, identifying new markets, and other topics in order to help you succeed.

FSA invites you to learn more and sign up for a mentor today at <a href="https://newfarmers.usda.gov/mentorship">https://newfarmers.usda.gov/mentorship</a>.

Also, SCORE and Farm Service Agency (FSA) representatives will discuss the new farm business mentorship opportunities with attendees during the Land Access Educational Summit on Feb. 2 in Kalamazoo. For more information or to register for the Land Access Educational Summit, visit http://www.miffs.org/events/transitioning\_farmland\_to\_the\_next\_generation\_of\_farmers.

Persons with disabilities who require accommodations to attend or participate in the Land Access Educational Summit should contact the event coordinator, Lacey Ingrao, at 517-709-8271 or Federal Relay Service at 1-800-877-8339.

### **January 2018 Interest Rates**

#### Farm Ownership and Farm Operating Loans:

Farm Operating - Direct: 3.000%Farm Ownership - Direct: 3.750%

Farm Ownership - Direct, Joint Financing: 2.500%

Farm Ownership - Down Payment: 1.500%

Emergency Loan - Amount of Actual Loss: 3.750%

#### **Crop Year 2017 Commodity Loans:**

- Crop year commodity loans less than 1 year: 2.625% per annum
- CCC borrowing rate-base interest charges: 1.650% per annum

#### Farm Storage Facility Loans:

• 3 year loan terms: 1.875% per annum

• 5 year loan terms: 2.125% per annum

7 year loan terms: 2.250% per annum

10 year loan terms: 2.375% per annum

• 12 year loan terms: 2.375% per annum

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).