### **June 2018**





# Farm Service Agency Electronic News Service

# **NEWSLETTER**

## GovDelivery

- Note from the State Executive Director
- Just Around the Corner
- Producers are Encouraged to Report Prevented Planting and Failed Acres
- Michigan DNR Seeking Environmentally Sensitive Lands for Habitat Restoration
- USDA Reopens Application Period for Producers Recovering from Cattle Loss, Other Disasters
- Communication is Key in Lending
- USDA Resumes Continuous Conservation Reserve Program Enrollment
- Interest Rates June 2018

# Michigan FSA Newsletter

# Michigan Farm Service Agency

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# **Note from the State Executive Director**

Statewide, more than 220 dedicated farmers and ranchers serve on FSA county committees, where they play a critical role in the day-to-day operations of FSA and make important decisions about how federal farm programs are administered locally to best serve the needs of agriculture in their community.

I strongly encourage all eligible producers to visit your local FSA office today to find out how to get involved in your local County Office Committee election. Your local FSA Service Center will accept nominations for county committee members beginning June 15.

Check your local USDA service center to see if your local administrative area is up for election this year. Producers can nominate themselves or others. Organizations, including those representing beginning, women and minority producers, may also nominate candidates to better serve their communities.

#### **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 offices.usda.gov.

To be eligible to serve on an FSA county committee, producers must participate or cooperate in an FSA program and reside in the area where the election is being held.

The nomination form <u>FSA-669A</u> and other information about FSA county committee elections are available at <u>www.fsa.usda.gov/elections</u>. All nomination forms for the 2018 election must be postmarked or received in the local FSA office by Aug. 1, 2018. Visit <u>farmers.gov</u> for more information.

## **Just Around the Corner**

June 15: COC elections nomination period begins

June 22: MPP-Dairy enrollment extension concludes

July 4: Offices closed for Independence Day

July 15: Acreage reporting deadline for spring planted feed grain crops, CRP, and most other crops

August 1: COC elections nomination period closes

**August 1:** ARCPLC deadline for 2018 timely-filed applications

August 17: CRP SU51 deadline to sign offer for enrollment

September 30: 2018 fiscal year concludes

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.

# Producers are Encouraged to Report Prevented Planting and Failed Acres

USDA Farm Service Agency (FSA) reminds producers to report prevented planting and failed acres in order to establish or retain FSA program eligibility for some programs.

Producers should report crop acreage they intended to plant, but due to natural disaster, were prevented from planting. Prevented planting acreage must be reported on form CCC-576, Notice of Loss, no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA).

Contact your local FSA office for a list of final planting dates by crop.

If a producer is unable to report the prevented planting acreage within the 15 calendar days following the final planting date, a late-filed report can be submitted. Late-filed reports will only be accepted if FSA conducts a farm visit to assess the eligible disaster condition that prevented the crop from being planted. A measurement service fee will be charged.

Additionally, producers with failed acres should also use form CCC-576, Notice of Loss, to report failed acres.

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.

For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP), producers must file a Notice of Loss within 15 days of the occurrence of the disaster or when losses become apparent. Producers must timely file a Notice of Loss for failed acres on all crops including grasses.

# Michigan DNR Seeking Environmentally Sensitive Lands for Habitat Restoration

The USDA Farm Service Agency (FSA) is accepting offers from rural landowners in 41 southern Michigan counties who want to voluntarily restore <u>pollinator</u> and wildlife habitat on their property. The solicitation is through the USDA Conservation Reserve Program (CRP) State Acres for Wildlife Enhancement (SAFE), Southern Michigan Pheasant and <u>Monarch Recovery</u>, in partnership with the Michigan Department of Natural Resources and Pheasants Forever, Inc.

SAFE is a federally funded voluntary program that assists agricultural producers and landowners with the cost of restoring, enhancing and protecting certain grasses, shrubs and trees to improve water quality, prevent soil erosion and reduce loss of wildlife habitat. In return, participants are provided annual rental payments, cost-share assistance and other financial incentives.

Eligible Michigan counties include Allegan, Arenac, Barry, Bay, Berrien, Branch, Calhoun, Cass, Clare, Clinton, Eaton, Genesee, Gladwin, Gratiot, Hillsdale, Huron, Ingham, Ionia, Isabella, Jackson, Kalamazoo, Kent, Lapeer, Lenawee, Livingston, Mecosta, Midland, Monroe, Montcalm, Muskegon, Newaygo, Oceana, Ottawa, Saginaw, Sanilac, Shiawassee, St. Clair, St. Joseph, Tuscola, Van Buren and Washtenaw.

The additional 40,000 acres allotted for Southern Michigan Pheasant and Monarch Recovery are designed to increase diverse native grassland and wetland habitat for a variety of rare or declining species and species of significant social importance, including monarch butterfly, ring-necked pheasant, grasshopper sparrow, Henslow's sparrow and mallard. The DNR identified these species and habitats as priorities in Michigan's <u>Wildlife Action Plan</u> and the <u>Michigan Pheasant Restoration Initiative</u>.

The Michigan CRP SAFE, Southern Michigan Pheasant and Monarch Recovery effort consists of three practice focuses: buffers, wetlands and grasses (practices CP38A, CP38B and CP38E).

Interested producers can find out more information from the Michigan DNR or from any USDA Farm Service Agency county office at <a href="http://offices.usda.gov">http://offices.usda.gov</a>.

To learn more about the Conservation Reserve Program, visit <a href="www.fsa.usda.gov/conservation">www.fsa.usda.gov/conservation</a>.

For information about how the DNR takes care of the state's wildlife and habitat for the people of Michigan, visit www.michigan.gov/wildlife.

# **USDA** Reopens Application Period for Producers Recovering from Cattle Loss, Other Disasters

Signup Begins June 4 for Livestock Indemnity Program and Emergency Assistance for Livestock, Honey Bees, and Farm-raised Fish

The U.S. Department of Agriculture (USDA) will begin accepting disaster assistance program applications on June 4 from agricultural producers who suffered livestock, honeybees, farm- raised fish and other losses due to natural disasters.

USDA's <u>Farm Service Agency</u> (FSA) is reopening the application period for two disaster assistance programs in response to statutory changes made by Congress earlier this year.

Beginning June 4, FSA will accept new applications for losses for calendar year 2017 or 2018 filed under the <u>Livestock Indemnity Program</u> (LIP) or <u>Emergency Assistance for Livestock</u>, <u>Honey Bees</u>, and <u>Farm-raised Fish Program</u> (ELAP). Producers who already submitted applications and received decisions on their applications for these years do not need to file again, but they can reapply if they have additional losses or their application was disapproved because it was filed late.

In February, Congress passed the Bipartisan Budget Act of 2018, which made several changes to these two disaster programs, including:

- Removing ELAP's \$20 million fiscal year funding cap, enabling FSA to pay producers' 2017 applications in full and their 2018 applications as soon as they are approved.
- Removing the per-person and legal entity annual program payment limitation of\$125,000 for LIP for 2017 and future years. (The income limitation applies as it did before, meaning producers with an adjusted gross income of more than \$900,000 are not eligible.)
- Changing LIP to allow producers to receive a payment for injured livestock that are sold for a reduced price due to an eligible event. Previously, the program only covered financial loss for livestock death above normal mortality.

Producers interested in LIP or ELAP should contact their <u>local USDA service center</u>. To apply, producers will need to provide verifiable and reliable production records and other information about their operation.

Drought, wildfires and other disasters continue to impact farmers and ranchers, and LIP and ELAP are two of many programs available through USDA to help producers recover. Learn more at <a href="https://www.usda.gov/disaster">https://www.usda.gov/disaster</a>.

# **Communication is Key in Lending**

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be a success. A part of ensuring this success is providing guidance and counsel from the loan application process through the borrower's graduation to commercial lending institutions. While it is FSA's commitment to advise borrowers as they identify goals and evaluate progress, it is crucial for borrowers to communicate with their farm loan staff when changes occur. It is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation;
- Any significant changes to family income or expenses;

- The development of problem situations:
- Any losses or proposed significant changes in security

In addition, if a farm loan borrower cannot make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options.

For more information on FSA farm loan programs, visit www.fsa.usda.gov.

# **USDA Resumes Continuous Conservation Reserve Program Enrollment**

One-Year Extension Available to 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 <u>Conservation Reserve Program</u> (CRP). Eligible farmers, ranchers, and private landowners can sign up at their local <u>Farm Service Agency (FSA)</u> 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. <u>View a full list of practices</u>.

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.

### **CRP Grasslands**

Additionally, FSA established new <u>ranking criteria</u> for <u>CRP Grasslands</u>. 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 <a href="https://www.farmers.gov">https://www.farmers.gov</a>. More information on CRP can be found at <a href="https://www.farmers.gov">www.fsa.usda.gov/crp</a>.

## **Interest Rates - June 2018**

### Farm Ownership and Farm Operating Loans:

Farm Operating - Direct: 3.625%Farm Ownership - Direct: 4.000%

• 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:**

• CCC borrowing rate-base interest charges: 2.250% per annum

• Crop year commodity loans less than 1 year: 3.250% per annum

#### Farm Storage Facility Loans:

• 3 year loan terms: 2.625% per annum

5 year loan terms: 2.875% per annum7 year loan terms: 3.000% per annum

• 10 year loan terms: 3.000% per annum

• 12 year loan terms: 3.000% per annum

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