

January 2018



Farm Service Agency **Electronic News Service**

NEWSLETTER

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Minnesota FSA Newsletter: January 2018

Minnesota Farm Service Agency

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Over the Winter Months, Take Advantage of the Workshop and Conference Season!

It's the time of year when there are many conferences, workshops, and training sessions taking place throughout the state. FSA would like to share a few of those great opportunities with all our customers:

Emerging Farmers Conference - January 26-27, 2018

To learn more about this conference focused on minority and immigrant producers as well as new and beginning farmers, please [visit the event's page here.](#) It's free for farmers!

University of Minnesota Extension Workshops in Alexandria, Little Falls, and Willmar - Farm Transition and Estate Planning topics. Free!

Cassie Buck
Raj Kohli
Laurie Moss

Alexandria - February 8, 2018. [Register here.](#)
Little Falls - February 9, 2018. [Register here.](#)
Willmar - February 23, 2018. [Register here.](#)

State Committee:

Scott Winslow, Chair
Kurt Blomgren, Member
Jay Nord, Member
Mike Yost, Member
Karolyn Zurn, Member

**University of Minnesota Extension Women in Ag Network
Annual Conference - February 15, 2018**

The theme for this year is Overcoming Adversity, with a dynamic day of guest speakers and breakout sessions on timely agricultural topics. [Click here to learn more and register for this event.](#)

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

Perdue Names Appointees to the Minnesota USDA Farm Service Agency State Committee

U. S. Secretary of Agriculture Sonny Perdue recently announced the individuals who will serve on the Minnesota USDA Farm Service Agency (FSA) state committee. The state committee is responsible for the oversight of farm programs and county committee operations, resolving appeals from the agriculture community, and helping to keep producers informed about FSA programs.

Each state committee has five members, one chairperson and four members. The individuals appointed to serve on this committee include:

- Scott Winslow, Committee Chair - Fountain
- Kurt Nord, Member - Butterfield
- Jay Nord, Member - Wolverton
- Mike Yost, Member - Murdock
- Karolyn Zurn, Member - Callaway

The Farm Service Agency serves farmers, ranchers and agricultural partners through the delivery of effective, efficient agricultural programs. The agency offers farmers a strong safety net through the administration of farm commodity and disaster programs. FSA continues to conserve natural resources and also provides credit to agricultural producers who are unable to receive private, commercial credit, including special emphasis on beginning, underserved and women farmers and ranchers.

Under the direction of Secretary Sonny Perdue, the USDA will always be facts-based and data-driven, with a decision-making mindset that is customer-focused. Secretary Perdue leads the USDA with four guiding principles: to maximize the ability of American agriculture to create jobs, sell food and fiber, and feed and clothe the world; to prioritize customer service for the taxpayers; to ensure that our food supply is safe and secure; and to maintain good stewardship of the natural resources that provide us with our miraculous bounty. Understanding that we live in a global economy where trade is of top importance, Secretary Perdue has pledged to be an unapologetic advocate for American agriculture.

Financial Hardship and Loan Servicing

Many farm loan borrowers' payments were due on Jan. 1. FSA expects and encourages prompt payment. However, for borrowers who cannot make their payments due to adversity such as a natural disaster or production difficulties beyond their control, FSA is committed to providing our farm loan borrowers with the tools necessary to be successful. A part of ensuring this success is providing guidance and counsel from loan or loan servicing application, through the term of your loan, and after. In order for FSA to help, you must alert your local FSA office 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

There are options for FSA loan customers during financial stress. If you are a borrower who is unable to make payments on a loan, contact your local FSA Service Center to learn about the options available to you.

If past due on payments, FSA will notify you of your options with a *Notice of Availability of Loan Servicing*. Please pay special attention to this notice as it provides you with your options for FSA servicing programs and outlines specific deadlines that you must meet. Failure to meet these statutory deadlines may significantly limit your options and FSA's ability to help address your farm's financial difficulties.

For more information on FSA farm loan programs, visit www.fsa.usda.gov. Please contact your local FSA Service Center if you have any questions or would like to schedule an appointment to meet with the loan staff to discuss your options.

Payment Limitations by Program

The 2014 Farm Bill established a maximum dollar amount for each program that can be received annually, directly or indirectly, by each person or legal entity. Payment limitations vary by program for 2014 through 2018.

Below is an overview of payment limitations by program.

Commodity and Price Support Programs

The annual limitation for the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs, Loan Deficiency Payments (LDPs) and Market Loan Gains is \$125,000 total.

Conservation Programs

The Conservation Reserve Program (CRP) annual rental payment and incentive payment is limited to \$50,000. CRP contracts approved before Oct. 1, 2008, may exceed the limitation, subject to payment limitation rules in effect on the date of contract approval.

The Emergency Conservation Program (ECP) has an annual limit of \$200,000 per disaster event. The Emergency Forest Restoration Program (EFRP) has an annual limit of \$500,000 per disaster event.

Disaster Assistance Programs

The annual limitation of \$125,000 applies to the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP), Livestock Forage Disaster Program (LFP) and Livestock Indemnity Program (LIP). The total payments received under ELAP, LFP and LIP may not exceed \$125,000. A separate limitation of \$125,000 applies to Tree Assistance Program (TAP) payments. There is also a separate \$125,000 payment limit for the Noninsured Crop Disaster Assistance Program (NAP).

Payment limitations also apply to Natural Resources Conservation Service (NRCS) programs. Contact your local NRCS office more information.

For more information on FSA payment limitations by program, visit https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdfiles/FactSheets/2015/payment_eligibility_payment_limitations.pdf.

New Actively Engaged Provisions for Non-Family Joint Operations or Entities

Many Farm Service Agency programs require all program participants, either individuals or legal entities, to be “actively engaged in farming”. This means participants provide a significant contribution to the farming operation, whether it is capital, land, equipment, active personal labor and/or management. For entities, each partner, stockholder or member with an ownership interest, must contribute active personal labor and/or management to the operation on a regular basis.

The 2014 Farm Bill established additional payment eligibility provisions relating to the farm management component of meeting “actively engaged in farming”. These new provisions apply to joint operations comprised of non-family members or partners, stockholders or persons with an ownership in the farming operation. Effective for 2016 and subsequent crop years, non-family joint operations are afforded to one member that may use a significant contribution of active personal management exclusively to meet the requirements to be determined “actively engaged in farming”. The person or member will be defined as the Farm Manager for the purposes of administering these new management provisions.

In some instances, additional persons or members of a non-family member joint operation who meet the definition of Farm Manager may also be allowed to use such a contribution of active personal management to meet the eligibility requirements. However, under no circumstances may the number of Farm Managers in a non-family joint operation exceed a total of three in any given crop and program year.

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 www.fsa.usda.gov/factsheets.

USDA Processing Pending Conservation Reserve Program Continuous Enrollment Offers

Acceptance of Most 2018 Offers Temporarily Suspended

USDA's Farm Service Agency (FSA) will process many pending eligible offers for land enrollment in the Conservation Reserve Program (CRP), and will temporarily suspend accepting most new offers until later in the 2018 fiscal year.

All current, eligible CRP continuous enrollment offers made through Sept. 30, 2017, except for those made under the Pollinator Habitat Initiative (CP42), will be approved. Additionally, FSA is temporarily suspending acceptance of most offers going forward to provide time to review CRP allocation levels, and to avoid exceeding the statutory cap of 24 million acres.

The CRP acreage cap is a provision of the 2014 Farm Bill. Current enrollment is about 23.5 million acres nationwide. USDA is accepting all pending continuous enrollment offers that were made beginning on May 4, 2017, and extending through Sept. 30, 2017, except Pollinator Habitat Initiative offers. Pollinator acreage offers are being declined because the program has met its acreage enrollment goal. Effective immediately, USDA is suspending acceptance of all new CRP continuous offers received or submitted after Sept. 30, 2017. The suspension will continue until later in the 2018 fiscal year.

However, FSA will continue to accept eligible offers for state-specific Conservation Reserve Enhancement Program (CREP) and CRP Grasslands enrollment. Offers received on or after Oct. 1, 2017, are subject to fiscal year 2018 rental rates which have been adjusted to reflect current market conditions and were established after careful review of the latest USDA National Agricultural Statistics Service (NASS) cash rent data.

In return for enrolling in CRP, USDA, through FSA, provides participants with rental payments and cost-share assistance. Landowners enter into contracts that last between 10 and 15 years. CRP pays farmers and ranchers who remove sensitive lands from production and plant certain grasses, shrubs and trees that improve water quality, prevent soil erosion and increase wildlife habitat. Payment totals for 2017 were announced earlier this week totaling over \$1.6 billion.

For more information about CRP, contact your local FSA office or visit www.fsa.usda.gov/crp. To locate your local FSA office, visit <http://offices.usda.gov>.

Malted Grains and Maple Syrup Eligible for Farm Storage Facility Loans

Malted small grains and maple syrup are now eligible for Farm Storage Facility Loans (FSFL) through the USDA Farm Service Agency (FSA).

FSFLs provide low-interest financing to producers to build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

The eligible commodities have been expanded to include malted small grains and maple syrup. Eligible malted small grains include barley, oats, rice, rye and wheat. Maple sap is used to produce maple syrup.

The low-interest funds can be used for:

- bottler or filling systems for maple syrup, excluding containers
- equipment to improve, maintain, or monitor the quality of stored FSFL commodities, such as cleaners, moisture testers, heat detectors, along with a proposed storage facility
- handling and drying equipment determined by the County Committee to be needed and essential to the proper functioning of a storage system
- electrical equipment, such as pumps, lighting, motors, and wiring, integral to the proper operation of the storage and handling equipment, excluding installing electric service to the electrical meter.

FSFLs are not available for the actual processing of the small grain into the malted commodity or maple sap into maple syrup. Additionally, purchased commodities are not eligible for FSFLs.

The following storage and handling equipment is ineligible for FSFLs:

- boiling equipment
- feed handling and processing equipment
- production and feed facilities
- structures of a temporary nature not having a useful life of the term of the loan
- maple sap tubing and pumping systems.

Loans up to \$50,000 can be secured by a promissory note/security agreement. 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 office.

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).

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