

---

March 2017



Farm Service Agency

# GovDelivery Electronic News Service

## NEWSLETTER



Having trouble viewing this email? [View it as a Web page.](#)

- [USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning Farmers](#)
- [USDA Encourages Producers to Consider Risk Protection Coverage before Crop Sales Deadlines](#)
- [Payment Limitations by Program](#)
- [USDA to Collect Data on Farmland Rental Rates](#)
- [Direct Loans](#)

---

## Tennessee FSA Newsletter

---

### Tennessee Farm Service Agency

579 Federal Building  
Nashville, TN 37203

Phone: 615-277-2600  
Fax: 855-494-7764

[www.fsa.usda.gov/tn](http://www.fsa.usda.gov/tn)

#### State Executive Director:

Tyeisha Samples, Acting

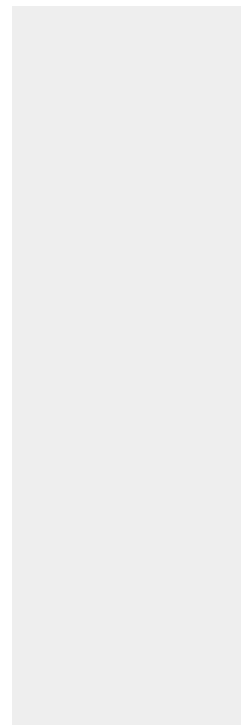
#### State Committee:

Eddie Anderson,  
Chairman  
Robert Collier  
Patti Hutchinson  
William Lyons  
Jack Whittenburg

### USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning Farmers

The USDA Farm Service Agency (FSA) reminds producers that FSA offers targeted farm ownership and farm operating loans to assist underserved applicants as well as beginning farmers and ranchers.

USDA defines underserved applicants as a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. For farm loan program purposes, targeted underserved groups are women, African Americans, American Indians and Alaskan Natives, Hispanics and Asians and Pacific Islanders.



To find contact information for your local office go to [www.fsa.usda.gov/tn](http://www.fsa.usda.gov/tn)

Underserved or beginning farmers and ranchers who cannot obtain commercial credit from a bank can apply for either FSA direct loans or guaranteed loans. Direct loans are made to applicants by FSA. Guaranteed loans are made by lending institutions who arrange for FSA to guarantee the loan. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. The FSA guarantee allows lenders to make agricultural credit available to producers who do not meet the lender's normal underwriting criteria.

The direct and guaranteed loan program provides for two types of loans: farm ownership loans and farm operating loans. In addition to customary farm operating and ownership loans, FSA now offers Microloans through the direct loan program. The focus of Microloans is on the financing needs of small, beginning farmer, niche and non-traditional farm operations. Microloans are available for both ownership and operating finance needs. To learn more about microloans, visit [www.fsa.usda.gov/microloans](http://www.fsa.usda.gov/microloans).

To qualify as a beginning producer, the individual or entity must meet the eligibility requirements outlined for direct or guaranteed loans. Additionally, individuals and all entity members must have operated a farm for less than 10 years. Applicants must materially or substantially participate in the operation.

For more information on FSA's farm loan programs and targeted underserved and beginning farmer guidelines, visit [www.fsa.usda.gov/farmloans](http://www.fsa.usda.gov/farmloans).

---

## 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 <https://webapp.rma.usda.gov/apps/actuarialinformationbrowser2017/CropCriteria.aspx>.

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

---

## 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 each.

### **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), Livestock Indemnity Program (LIP), Noninsured Crop Disaster Assistance Program (NAP) and Tree Assistance Program (TAP). The total payments received under ELAP, LFP and LIP may not exceed \$125,000. A separate limitation applies to TAP payments.

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](https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdfiles/FactSheets/2015/payment_eligibility_payment_limitations.pdf).

---

## USDA to Collect Data on Farmland Rental Rates

USDA National Agricultural Statistics Service (NASS) will contact Tennessee farmers to gather land rental rate information for the Cash Rents and Leases survey. The results of this survey will serve as a valuable decision-making tool for farmers and can be used for 2018 rental agreement negotiations.

This brief survey is NASS's only source of collecting and publishing county cash rental rates. By responding, producers ensure that they base their decisions on the most accurate data available.

### Data Uses

- Farm Service Agency (FSA) uses cash rent county estimates to determine market-based rates in administering USDA programs, such as the Conservation Reserve Program (CRP).
- Other state and federal government agencies, universities, and research organizations use these data for other forms of economic analysis.
- The data provide farmers with current information about rental rates in their county and are available for their use in making decisions regarding renting and leasing farmland.

NASS will publish average cash rental rates at national, state and county levels for non-irrigated cropland, irrigated cropland, and pastureland Sept. 8, 2017.

More than 8,000 Tennessee farmers will receive the survey forms. NASS offers the option of responding online via a secure internet connection. In late March, NASS representatives will begin calling and visiting farmers who have not yet responded.

NASS will combine responses from producers statewide, providing the only accurate and comprehensive estimate of Tennessee average rent and lease rates.

For more information about the Cash Rents and Leases survey, call Debra Kenerson at the NASS Tennessee Field Office on (615) 891-0903, or (800) 626-0987, or visit [https://www.nass.usda.gov/Statistics\\_by\\_State/Tennessee/](https://www.nass.usda.gov/Statistics_by_State/Tennessee/).

---

## 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 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).



STAY CONNECTED:



SUBSCRIBER SERVICES:

[Manage Preferences](#) | [Delete Profile](#) | [Help](#)