

May 2016



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New York State FSA Newsletter

New York State Farm Service Agency

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SED Comments

Last month I wrote about how the list of eligible commodities for Farm Storage Facility Loans (FSFL) has been greatly expanded. Well this month the program has been expanded even more! You can now finance portable farm storage as well as handling equipment with a FSFL. Additionally, you can now buy used equipment with a FSFL, not just new, plus there is a microloan option for less paperwork and a smaller down-payment! FSFL loans are either 3, 5, 7, 10 or 12-year loans, and right now the interest rate is under 2% for all term options! Learn more about these additions in the first article below and make sure you talk to your local FSA office to see how you can use one, or more, of these loans on your farm.

Another exciting program New York is participating in is Bridges to Opportunity. The eleven credit team offices throughout the state currently have this software, and many more will be adding it soon. Through "The Bridge" FSA personnel can help connect you to other USDA and non-USDA services, organizations and events available to you. Ask your office if they have "The Bridge" and see what resources they can provide to you now!

Take care,
James Barber

Please contact your local FSA Office for questions specific to your operation or county.

<http://offices.usda.gov>

USDA Offers New Loans for Portable Farm Storage and Handling Equipment

Portable Equipment Can Help Producers, including Small-Scale and Local Farmers, Get Products to Market Quickly

USDA's Farm Service Agency (FSA) will provide a new financing option to help farmers purchase portable storage and handling equipment. The loans, which now include a smaller microloan option with lower down payments, are designed to help producers, including new, small and mid-sized producers, grow their businesses and markets.

The program also offers a new "microloan" option, which allows applicants seeking less than \$50,000 to qualify for a reduced down payment of five percent and no requirement to provide three years of production history. Farms and ranches of all sizes are eligible. The microloan option is expected to be of particular benefit to smaller farms and ranches, and specialty crop producers who may not have access to commercial storage or on-farm storage after harvest. These producers can invest in equipment like conveyers, scales or refrigeration units and trucks that can store commodities before delivering them to markets. Producers do not need to demonstrate the lack of commercial credit availability to apply.

Earlier this year, FSA significantly expanded the list of commodities eligible for Farm Storage Facility Loan. Eligible commodities now include aquaculture; floriculture; fruits (including nuts) and vegetables; corn, grain sorghum, rice, oilseeds, oats, wheat, triticale, spelt, buckwheat, lentils, chickpeas, dry peas sugar, peanuts, barley, rye, hay, honey, hops, maple sap, unprocessed meat and poultry, eggs, milk, cheese, butter, yogurt and renewable biomass. FSFL microloans can also be used to finance wash and pack equipment used post-harvest, before a commodity is placed in cold storage.

To learn more about Farm Storage Facility Loans, visit www.fsa.usda.gov/pricesupport or contact a local FSA county office. To find your local FSA county office, visit <http://offices.usda.gov>.

USDA Announces Conservation Reserve Program Results

More Than 800,000 Acres Selected Through Highly Competitive Application Rounds

USDA announced the enrollment of more than 800,000 acres in the Conservation Reserve Program (CRP). Through CRP, the U.S. Department of Agriculture (USDA) helps farmers offset the costs of restoring, enhancing and protecting certain grasses, shrubs and trees that improve water quality, prevent soil erosion and strengthen wildlife habitat. Farmers' and ranchers' participation in CRP continues to provide numerous benefits to our nation, including helping reduce emissions of harmful greenhouse gases and providing resiliency to future weather changes.

A nationwide acreage limit was established for this program in the 2014 Farm Bill, capping the total number of acres that may be enrolled at 24 million for fiscal years 2017 and 2018. At the same time, USDA has experienced a record demand from farmers and ranchers interested in participating in the voluntary program. As of March 2016, 23.8 million acres were enrolled in CRP, with 1.7 million

acres set to expire this fall.

Over three million acres have been offered for enrollment this year across the three main categories within CRP, with USDA's Farm Service Agency (FSA) receiving over 26,000 offers to enroll more than 1.8 million acres during the general enrollment period, and over 4,600 offers to enroll more than one million acres in the new CRP Grasslands program. Coming off a record-setting 2015 continuous enrollment of over 860,000 acres, more than 364,000 acres already have been accepted for 2016 in the CRP continuous enrollment, triple the pace of last year.

FSA will accept 411,000 acres in general enrollment, the most competitive selection in the history of the program, with the acreage providing record high conservation benefits. USDA selected offers by weighing environmental factors plus cost, including wildlife enhancement, water quality, soil erosion, enduring benefits, and air quality.

The results of the first-ever enrollment period for CRP Grasslands, FSA will also accept 101,000 acres in the program, providing participants with financial assistance for establishing approved grasses, trees and shrubs on pasture and rangeland that can continue to be grazed. More than 70 percent of these acres are diverse native grasslands under threat of conversion, and more than 97 percent of the acres have a new, veteran or underserved farmer or rancher as a primary producer. FSA continues to accept CRP Grasslands offers and will conduct another ranking period later this year.

Participants in CRP establish long-term, resource-conserving plant species, such as approved grasses or trees (known as "covers") to control soil erosion, improve water quality and develop wildlife habitat on marginally productive agricultural lands. In return, FSA provides participants with rental payments and cost-share assistance. Contract duration is between 10 and 15 years.

To learn more about FSA's conservation programs, visit www.fsa.usda.gov/conservation or contact a local FSA county office. To find your local FSA county office, visit <http://offices.usda.gov>.

Loan Servicing

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

Filing a Notice of Loss

The CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. Timely filing a Notice of Loss is required for all crops including grasses. For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP), you must file a CCC-576, Notice of Loss, in the FSA County Office within 15 days of the occurrence of the disaster or when losses become apparent or 15 calendar days after the normal harvest date.

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.

If filing for prevented planting, an acreage report and CCC-576 must be filed within 15 calendar days of the final planting date for the crop.

USDA Establishes New Partnerships to Link Underserved Farmers to FSA Programs

Minority, Women, New and Beginning, Military Veteran and Urban Producers to Receive Training and Information on Agency Services

USDA announced cooperative agreements with 55 partners to educate farmers and other producers that have been underserved by USDA programs historically about Farm Service Agency (FSA) programs that provide financial, disaster or technical support. Nearly \$2.5 million will go to nonprofits, associations, universities, and foundations that will provide training and information on agricultural best practices, local networking opportunities, and more.

FSA, which solicited applications last fall, received nearly 100 proposals that requested over \$9 million in funding. Cooperative agreements, encompassing more than 28 states, will be between \$20,000 and \$75,000 each and several involve multi-state or national efforts. A list of awardees can be found at www.fsa.usda.gov/outreach.

FSA also announced today that it is accepting proposals for consideration in the second evaluation period. Applications are due no later than July 11, 2016. Projects not selected during the first evaluation period will be reconsidered during the second period. Additional information on the funding solicitation and the related FSA programs can be found at www.grants.gov using reference number USDA-FSA-CA-2016-001. For nonprofits and public institutions of higher education that are considering participation, a recording of the online informational session held with stakeholders is posted on the web at www.fsa.usda.gov/outreach.

USDA is also helping producers find an entry into farming through urban agriculture opportunities and the increasing consumer demand for locally-produced items. Under this Administration, USDA has invested more than \$1 billion in over 40,000 local and regional food businesses and infrastructure projects. USDA is committed to helping farmers, ranchers, and businesses access the growing market for local and regional foods, which was valued at \$12 billion in 2014 according to industry estimates. More information on how USDA investments are connecting producers with consumers and expanding rural economic opportunities is available in [Chapter IV](#) of [USDA Results on Medium](#).

USDA Expands Safety-Net for Dairy Operations Adding Next-Generation Family Members

Dairy farms participating in the Margin Protection Program (MPP) can now update their production history when an eligible family member joins the operation. The voluntary program, established by the 2014 Farm Bill, protects participating dairy producers when the margin – the difference between the price of milk and feed costs – falls below levels of protection selected by the applicant.

The U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) published a final rule which makes these changes effective on April 13, 2016. Any dairy operation already enrolled in the Margin Protection Program that had an intergenerational transfer occur will have an opportunity to increase the dairy operations production history during the 2017 registration and annual coverage election period. The next election period begins on July 1, 2016, and ends on Sept. 30, 2016. For intergenerational transfers occurring on or after July 1, 2016, notification must be made to the FSA within 60 days of purchasing the additional cows. Each participating dairy operation is authorized one intergenerational transfer at any time of its choosing until 2018.

For \$100 a year, dairy producers can receive basic catastrophic protection that covers 90 percent of milk production at a \$4 margin coverage level. For additional premiums, operations can protect 25 to 90 percent of production history with margin coverage levels from \$4.50 to \$8 in 50 cent

increments. Annual enrollment in the program is required in order to receive margin protection. The final rule also provides improved risk protection for dairy farmers that pay premiums to buy-up higher levels of coverage by clarifying that 90 percent of production is covered below the \$4 level even if a lower percentage was selected above the \$4 margin.

Earlier this year, FSA gave producers the opportunity to pay their premium through additional options including via their milk cooperative or handler. This rule facilitates those options and also clarifies that the catastrophic level protection at \$4 will always cover 90 percent of the production history, even if a producer selected a less than a 90 percent percentage for the buy-up coverage.

Assuming current participation, had the Margin Protection Program existed from 2009 to 2014, premiums and fees would have totaled \$500 million while providing producers with \$2.5 billion in financial assistance, nearly \$1 billion more than provided by the old Milk Income Loss Contract program during the same period.

For more information, visit FSA online at www.fsa.usda.gov/dairy or stop by a local FSA office and ask about the Margin Protection Program. To find a local FSA office in your area, visit <http://offices.usda.gov>.

Update Your Records

FSA is cleaning up our producer record database. If you have any unreported changes of address or zip code or an incorrect name or business name on file they need to be reported to our office. Changes in your farm operation, like the addition of a farm by lease or purchase, need to be reported to our office as well. Producers participating in FSA and NRCS programs are required to timely report changes in their farming operation to the County Committee in writing and update their CCC-902 Farm Operating Plan.

If you have any updates or corrections, please call your local FSA office to update your records.

Borrower Training

Borrower training is available for all Farm Service Agency customers. This training is required for all direct loan applicants, unless the applicant has a waiver issued by the agency.

Borrower training includes instruction in production and financial management. The purpose is to help the applicant develop and improve skills that are necessary to successfully operate a farm and build equity in the operation. It aims to help the producer become financially successful. Borrower training is provided, for a fee, by agency approved vendors. Contact your local FSA Farm Loan Manager for a list of approved vendors.

Filing CCC-941 Adjusted Gross Income (AGI) Certifications

Many producers have experienced delays in receiving Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments, Loan Deficiency Payments (LDPs) and Market Gains on Marketing Assistance Loans (MALs) because they have not filed form CCC-941, Adjusted Gross Income Certification. LDPs will not be paid until all eligible producers, including landowners who share in the crop, have filed a valid CCC-941.

Producers without a valid CCC-941 certifying their compliance with the average adjusted gross income provisions will not receive payments that have been processed. All farm operator/tenants/owners who have not filed a CCC-941 and have pending payments should

IMMEDIATELY file the form with their recording county FSA office. Farm operators and tenants are encouraged to ensure that their landowners have filed the form. FSA has been issuing 2014 ARC/PLC payments, 2015 LDPs and Market Gains.

FSA can accept the CCC-941 for 2014, 2015 and 2016. Unlike the past, producers must have the CCC-941 certifying their AGI compliance before any payments can be issued.

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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