

October 2017



Farm Service Agency **Electronic News Service**

NEWSLETTER

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Arkansas FSA Newsletter

Arkansas Farm Service Agency

700 West Capitol, Room 3416
Little Rock, Arkansas 72201
Phone: 501-301-3000
www.fsa.usda.gov/ar

State Committee: Chairman Theodore Eldrige, Sr.

Members Eric Anderson, Mike Freeze, Johnny Loftin, and Richard Simmons

State Committee Meeting: 2nd Wednesday and Thursday of each Quarter

Acting State Executive Director: Clayton Parr

Administrative Officer: Sharon Baker

A Message from the State Executive Director

Payments started going out the first week of October on many farms enrolled in the Agriculture Risk Coverage (ARC), Price Loss Coverage (PLC), and Conservation Reserve (CRP) programs. ARC and PLC programs were designed to protect against unexpected drop in crop prices or revenues due to market downturns. USDA will be making approximately \$8 billion in payments under the ARC and PLC programs during the fall of 2017, and \$1.6 billion under CRP for 2017.

For more information regarding ARC and PLC programs, go to www.fsa.usda.gov/arc-plc . For more information about CRP, contact your local FSA office or visit www.fsa.usda.gov/crp . To locate your local FSA office, visit <https://offices.usda.gov> .

2017 County Committee Elections

USDA Farm Service Agency (FSA) County Committee Elections are underway in your local FSA County Offices. County Committee election ballots will be mailed to eligible voters on November 6,

Division Chiefs
Farm Programs: Anita Wilson

2017. The last day to return completed ballots to your respective FSA County Office is **December 4, 2017**.

Farm Loans: James
Culpepper

For more information on eligibility to serve on FSA county committees, visit: www.fsa.usda.gov/elections.

Please contact your local FSA Office for questions specific to your operation or county. To find contact information for your local office go to www.fsa.usda.gov/ar.

FSA's Bridges to Opportunity

The Farm Service Agency (FSA) is providing customers who contact an office access to programs, information on upcoming events, workshops and other resources provided by the U.S. Department of Agriculture (USDA) and agricultural organizations that partner with FSA. Partner organizations may also elect to receive customer referrals from FSA if the customer feels the partner has expertise that meets their needs.

To find out more about Bridges to Opportunity or give it a try, visit your local [FSA county office](#). You may also visit the [FSA website](#) for more information.

USDA Farm Service Agency Offers Text Alerts to Producers

Subscribers Can Receive Important Program Reminders and Updates

USDA Farm Service Agency (FSA) announced that farmers and ranchers in Arkansas now can receive notifications from their county office through text messages on their cell phone.

Whether producers are in the field, on a tractor or even on horseback, this service enables FSA customers and stakeholders to receive notifications while on the go. Producers will receive text messages regarding important program deadlines, reporting requirements, outreach events and updates.

Please contact your local [FSA county office](#) if you have questions regarding FSA's email news service or the new text message option.

Environmental Review Required Before Project Implementation

The National Environmental Policy Act (NEPA) requires Federal agencies to consider all potential environmental impacts for federally-funded projects before the project is approved.

For all Farm Service Agency (FSA) programs, an environmental review must be completed before actions are approved, such as site preparation or ground disturbance. These programs include, **but are not limited to**, the Emergency Conservation Program (ECP), Farm Storage Facility Loan (FSFL) program and farm loans. If project implementation begins before FSA has completed an environmental review, this will result in a denial of the request. There are exceptions regarding the Stafford Act and emergencies. It is important to wait until you receive written approval of your project proposal before starting any actions, including, but not limited to, vegetation clearing, site preparation or ground disturbance.

Remember to contact your local FSA office early in your planning process to determine what level of environmental review is required for your program application so that it can be completed timely.

Applications cannot be approved contingent upon the completion of an environmental review. FSA must have copies of all permits and plans before an application can be approved.

USDA Issues Farm Safety Net and Conservation Payments

USDA Farm Service Agency announced that over \$9.6 billion in payments will be made to producers through the Agriculture Risk Coverage (ARC), Price Loss Coverage (PLC) and Conservation Reserve (CRP) programs. The USDA is issuing approximately \$8 billion in payments under the ARC and PLC programs for the 2016 crop year, and \$1.6 billion under CRP for 2017.

The ARC and PLC programs were authorized by the 2014 Farm Bill and offer a safety net to agricultural producers when there is a substantial drop in revenue or prices for covered commodities. Over half a million producers will receive ARC payments and over a quarter million producers will receive PLC payments for 2016 crops, starting the first week of October and continuing over the next several months.

Payments are being made to producers who enrolled base acres of barley, corn, grain sorghum, lentils, oats, peanuts, dry peas, soybeans, wheat and canola. In the upcoming months, payments will be announced after marketing year average prices are published by USDA's National Agricultural Statistics Service for the remaining covered commodities. Those include long and medium grain rice (except for temperate Japonica rice), which will be announced in November; remaining oilseeds and chickpeas, which will be announced in December; and temperate Japonica rice, which will be announced in early February 2017. The estimated payments are before application of sequestration and other reductions and limits, including adjusted gross income limits and payment limitations.

Also, as part of an ongoing effort to protect sensitive lands and improve water quality and wildlife habitat, USDA will begin issuing 2017 CRP payments in October to over 375,000 Americans.

Signed into law by President Reagan in 1985, CRP is one of the largest private-lands conservation program in the United States. Thanks to voluntary participation by farmers and landowners, CRP has improved water quality, reduced soil erosion and increased habitat for endangered and threatened species. In return for enrolling in CRP, USDA, through the Farm Service Agency (FSA) on behalf of the Commodity Credit Corporation, provides participants with rental payments and cost-share assistance. Participants enter into contracts that last between 10 and 15 years. CRP payments are made to participants who remove sensitive lands from production and plant certain grasses, shrubs and trees that improve water quality, prevent soil erosion and increase wildlife habitat.

For more details regarding ARC and PLC programs, go to www.fsa.usda.gov/arc-plc. For more information about CRP, contact your local FSA office or visit www.fsa.usda.gov/crp.

2015, 2016 and 2017 Average Adjusted Gross Income Compliance Reviews

The AGI verification and compliance reviews for 2015, 2016 and 2017 are conducted on producers who the IRS indicated may have exceeded the adjusted gross income limitations described in [7 CFR 1400.500]. Based on this review, producers will receive determinations of eligibility or ineligibility.

If the producer is determined to have exceeded the average AGI limitation of \$900,000, receivables will be established for payments earned directly or indirectly by the producer subject to the \$900,000 limitation. The Arkansas State FSA Office has begun notifying producers selected for review. If you have any questions about the review process or determinations, please contact the Arkansas State FSA Office at 501-301-3000. Producers who receive initial debt notification letters may only appeal the amount of the debt to their local FSA office. Payment eligibility adverse determinations become administratively final 30 days from the date of the payment eligibility adverse determination letter and can only be reopened if exceptional circumstances exist that prevented the producer from timely filing the appeal.

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.

Farm Storage Facility Loans

FSA's Farm Storage Facility Loan (FSFL) program provides 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 low-interest funds can be used to build or upgrade permanent facilities to store commodities. Eligible commodities include corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds harvested as whole grain, pulse crops (lentils, chickpeas and dry peas), hay, honey, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple sap, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Qualified facilities include grain bins, hay barns and cold storage facilities for eligible commodities.

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 county office. To find your local FSA county office, visit <http://offices.usda.gov>.

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.

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.

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.

Youth Loans

The Farm Service Agency makes loans to youth to establish and operate agricultural income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5000.

Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the youth loan applicant, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms.

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).

Persons with disabilities who require accommodations to attend or participate in this meeting/function/event should contact their local County Executive Director or Sharon Baker at 501-301-3014, (TDD# or Federal Relay Service at 1-800-877-8339, and (Sharon.Baker@ar.usda.gov)).
