

April 2018



Farm Service Agency **Electronic News Service**

NEWSLETTER

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Arkansas FSA Newsletter

Arkansas Farm Service Agency

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Little Rock, Arkansas 72201
Phone: 501-301-3000
www.fsa.usda.gov/ar

State Committee: Chairman:
Ron Chastain

Members: Gary Churchill,
Sarah Dunklin, Nathan Reed,
& Vivian Wright

State Committee Meeting:
April 18-19, 2018

State Executive Director:
David Curtis

Administrative Officer:
Sharon Baker

Farm Programs:
Terri McManus, Acting

Message from the SED

Farmers and ranchers still have time to be counted in the 2017 Census of Agriculture, according to the U.S. Department of Agriculture's (USDA) National Agricultural Statistics Service (NASS). Although the first deadline has just passed, NASS will continue to accept Census information through the spring to get a complete and accurate picture of American agriculture that represents all farmers and ranchers.

Federal law mandates that everyone who received the 2017 Census of Agriculture questionnaire complete it and return it even if not currently farming. NASS will continue to follow-up with producers through the spring with mailings, phone calls, and personal visits. To avoid these additional contacts, farmers and ranchers are encouraged to complete their Census either online at www.agcounts.usda.gov or by mail as soon as possible. Responding online saves time by skipping sections that do not apply and automatically calculating totals. The online questionnaire is accessible on desktops, laptops, and mobile devices.

For more information about the 2017 Census of Agriculture, visit www.agcensus.usda.gov. For questions or assistance filling out the Census, call toll-free (888) 424-7828.

Farm Loan Programs:
James Culpepper

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.

Upcoming Events

Upcoming Events and Workshops

The USDA Arkansas Farm Service Agency (FSA) is committed to educating producers on available programs and loans. FSA representatives will be available at the following workshops and conferences. Producers interested in attending these conferences/workshops should follow the registration or RSVP instructions listed below.

Apr. 19 - 2018 Arkansas Land Community Development Corporation (ALCDC) Summit

Arkansas Land and Community Development Corporation is hosting a Community Development Summit. **Theo Eldridge, Phillips County FSA Executive Director, and Hendra Woodfork, FSA Farm Loan Manager, will present a workshop on FSA Programs.** The conference will be held Thursday, April 26, 2018, and is free to attend. Registration begins at 9:30 a.m. and the opening session begins at 10:00 a.m. Pre-registration is not required. The conference will be held at the Delta Cultural Center located at 141 Cherry Street, Helena, Arkansas. Lunch will be served.

Apr 26. – Small Scale Producer and Landowner Conference

Prairie View A&M University and the University of Arkansas at Pine Bluff is hosting the Small Scale Producer and Landowner Conference. **Rusty Pendergraft, Miller County FSA Executive Director, and Gene Horne, FSA Farm Loan Manager, will present a workshop on FSA Programs.** The meeting will be held on Thursday, Apr. 26, 2018 at the Southwest Center, 3222 W. 7th Street, Texarkana, TX. Registration begins at 8:30am.

Save Time – Make an Appointment with FSA

Producers are encouraged to call their local FSA office to schedule an appointment to ensure maximum use of their time and to make sure FSA staff is available to tend to their important business needs. Please call your local FSA office ahead of your visit to set an appointment and to discuss any records or documentation that might be needed during your appointment. To find your local FSA office, visit: <http://offices.sc.egov.usda.gov/locator/app>.

Livestock Inventory Records

Producers are reminded to keep updated livestock inventory records. These records are necessary in the event of a natural disaster.

When disasters strike, the USDA Farm Service Agency (FSA) can assist producers who suffered excessive livestock death losses and grazing or feed losses due to eligible natural disasters.

To participate in livestock disaster assistance programs, producers will be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to their local FSA office within 30 calendar days of when the loss of livestock is apparent. For grazing or feed losses, producers must submit a notice of loss to their local FSA office within 30 calendar days of when the loss is apparent and should maintain documentation and receipts.

Producers should record all pertinent information regarding livestock inventory records including:

- Documentation of the number, kind, type, and weight range of livestock

- Beginning inventory supported by birth recordings or purchase receipts;

For more information on documentation requirements, contact your local FSA office.

Payments to Deceased Producers

In order to claim a Farm Service Agency (FSA) payment on behalf of a deceased producer, all program conditions for the payment must have been met before the applicable producer's date of death.

If a producer earned a FSA payment prior to becoming deceased, the following is the order of precedence of the representatives of the producer:

- administrator or executor of the estate
- the surviving spouse
- surviving sons and daughters, including adopted children
- surviving father and mother
- surviving brothers and sisters
- heirs of the deceased person who would be entitled to payment according to the State law

In order for FSA to release the payment, the legal representative of the deceased producer must file a form FSA-325, to claim the payment for themselves or an estate. The county office will verify and determine that the application, contract, loan agreement, or other similar form requesting payment issuance, was signed by the applicable deadline for such form, by the deceased or a person legally authorized to act on their behalf at that time of application.

If the application, contract or loan agreement form was signed by someone other than the participant who is deceased, FSA will determine whether the person submitting the form has the legal authority to submit the form to compel FSA to pay the deceased participant.

Payments will be issued to the respective representative's name using the deceased program participant's tax identification number. Payments made to representatives are subject to offset regulations for debts owed by the deceased.

FSA is not responsible for advising persons in obtaining legal advice on how to obtain program benefits that may be due to a participant who has died, disappeared or who has been declared incompetent.

Farm Reconstitutions

When changes in farm ownership or operation take place, a farm reconstitution is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

To be effective for the current Fiscal Year (FY), farm combinations and farm divisions must be requested by **August 1 of the FY** for farms subject to the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. A reconstitution is considered to be requested when all:

- of the required signatures are on FSA-155
- other applicable documentation, such as proof of ownership, is submitted.

Total Conservation Reserve Program (CRP) and non-ARC/PLC farms may be reconstituted at any time.

The following are the different methods used when doing a farm recon:

Estate Method — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

DCP Cropland Method — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

Default Method — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

Emergency Conservation Program Assistance

The Emergency Conservation Program (ECP) provides emergency funding and technical assistance to farmers and ranchers to rehabilitate farmland damaged by natural disasters and to implement emergency water conservation measures in periods of severe drought.

For land to be eligible, the natural disaster must create new conservation problems that, if untreated, would:

- be so costly to rehabilitate that Federal assistance is or will be needed to return the land to productive agricultural use
- is unusual and is not the type that would recur frequently in the same area
- affect the productive capacity of the farmland
- impair or endanger the land

A producer qualifying for ECP assistance may receive cost-share levels not to exceed 75 percent of the eligible cost of restoration measures. No producer is eligible for more than \$200,000 cost sharing per natural disaster occurrence. The following types of measures may be eligible:

- removing debris from farmland
- grading, shaping, or releveling severely damaged farmland
- restoring permanent fences
- restoring conservation structures and other similar installations

Producers who suffered a loss from a natural disaster should contact their local FSA Office for ECP deadlines.

To be eligible for assistance, practices must not be started until all of the following are met:

- an application for cost-share assistance has been filed
- the local FSA County Committee (COC) or its representative has conducted an onsite inspection of the damaged area
- the Agency responsible for technical assistance, such as the Natural Resource Conservation Service (NRCS), has made a needs determination, which may include cubic yards of earthmoving, etc., required for rehabilitation

For more information about ECP, please visit www.fsa.usda.gov.

Preauthorized Debit Available for Farm Loan Borrowers

USDA Farm Service Agency (FSA) has implemented pre-authorized debit (PAD) for Farm Loan Program (FLP) borrowers. PAD is a voluntary and alternative method for making weekly, bi-weekly, monthly, quarterly, semi-annual or annual payments on loans.

PAD payments are pre authorized transactions that allow the National Financial and Accounting Operations Center (NFAOC) to electronically collect loan payments from a customer's account at a financial institution.

PAD may be useful for borrowers who use nonfarm income from regular wages or salary to make payments on loans or adjustment offers or for payments from seasonal produce stands. PAD can only be established for future payments.

To request PAD, customers, along with their financial institution, must fill out form RD 3550-28. This form has no expiration date, but a separate form RD 3550-28 must be completed for each loan to which payments are to be applied. A fillable form can be accessed on the USDA Rural Development (RD) website at <http://www.rd.usda.gov/publications/regulations-guidelines>. Click forms and search for "Form 3550-28."

If you have a "filter" on the account at your financial institution, you will need to provide the financial institution with the following information: Origination ID: 1220040804, Agency Name: USDA RD DCFO.

PAD is offered by FSA at no cost. Check with your financial institution to discuss any potential cost. Preauthorized debit has no expiration date, but you can cancel at any time by submitting a written request to your local FSA office. If a preauthorized debit agreement receives three payment rejections within a three month period, the preauthorized debt agreement will be cancelled by FSA. The payment amount and due date of your loan is not affected by a cancellation of preauthorized debit. You are responsible to ensure your full payment is made by the due date.

For more information about PAD, contact your local FSA office. To find a local FSA office, visit <http://offices.usda.gov>

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.

Rates and Dates

90-Day Treasury Bill	1.500		
Farm Operating Loans — Direct	3.500		
Farm Ownership Loans — Direct	4.000		
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.500		
Emergency Loans	3.750		
Farm Storage Facility Loans (3 years)	2.375		
Farm Storage Facility Loans (5 years)	2.625		
Farm Storage Facility Loans (7 years)	2.750		
Farm Storage Facility Loans (10 years)	2.875	May 31, 2018	Cotton Ginning Cost-Share deadline
Farm Storage Facility Loans (12 years)	2.875		
Commodity Loans	3.000	June 1, 2018	Margin Protection Program-Dairy deadline

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).

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).
