

July 2018



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: Ron Chastain

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

State Committee Meeting:

July 25-26, 2018

State Executive Director:

David Curtis

Message from the SED

It is an extremely busy time in Arkansas for FSA county offices taking crop acreage certification, enrolling producers in ARC/PLC, researching acres and yields to determine seed cotton participation, making payments to milk producers, filing LFP losses for payment, and/or signing up in conservation programs. From October 1, 2017, to June 30, 2018, the Farm Loan Programs staff processed 998 direct and guaranteed loans. The total loan volume of \$200,040,194 has added to the Arkansas economy. **Our heartfelt gratitude for the dedication and commitment of the FSA field office employees who make a living helping feed our country and providing excellent service to the FSA customers is greatly appreciated.**

Upcoming Events and Workshops

Upcoming Events and Workshops

The USDA Arkansas Farm Service Agency (FSA) is committed to educating producers on available programs and loans. FSA

Administrative Officer:

Sharon Baker

Farm Programs:

Terri McManus

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

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.

The USDA Farm Service Agency (FSA) will conduct two more workshops in this month. The workshops will include Farm Service Agency's role in the farming community, County Committee Elections, Farm Program and Farm Loan Program information. **The remaining workshops will be held July 10th, and July 24th from 10:00 a.m. and 12:00p.m.** The workshops will be held at the Baptist Health Farmers Market, Ground Level Parking Deck, 9601 Baptist Health Dr, Little Rock, AR 72205.

July 26th - 2018 Arkansas Land Community Development Corporation (ALCDC) Summit

Arkansas Land and Community Development Corporation is hosting a Community Economic Development Summit. **Erik Deatherage, Mississippi County FSA Executive Director, and Charlean Smith, FSA Farm Loan Manager, will present a workshop on FSA Programs.** The conference will be held Thursday, July 26, 2018, and is free to attend. Registration begins at 5:30 p.m. and the opening session begins at 6:00 p.m. Pre-registration is not required. The conference will be held at Mississippi County EOC Migrant Head Start Center, 1100 Byrum Road, Blytheville, Arkansas. Dinner will be served.

August 2nd - 2018 Arkansas Land Community Development Corporation (ALCDC) Summit

Arkansas Land and Community Development Corporation is hosting a Community Economic Development Summit. **FSA will present on Farm Programs and Farm Loan Programs.** The conference will be held Thursday, August 2, 2018, and is free to attend. Registration begins at 5:30 p.m. and the opening session begins at 6:00 p.m. Pre-registration is not required. The conference will be held at Mount Zion Missionary Baptist Church, 660 Highway 79 South, magnolia, AR 71753. Dinner will be served.

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.

Standard text messaging rates apply. Contact your wireless carrier for details associated with your particular data plan. Participants may unsubscribe at any time.

Please contact your local FSA office if you have questions regarding FSA's email news service or the new text message option.

Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) Educational Tool Available for Farms with Generic Base Acres that Planted Seed Cotton

Farm Service Agency (FSA) is notifying farmers with generic base acres that planted seed cotton that a new tool is available to assist them in understanding how the new seed cotton program may affect their FSA payments. It helps a producer make decisions on how to allocate generic base acres to other covered crops based on a producer's planting history.

The educational tool can be viewed at <https://www.afpc.tamu.edu/tools/cotton-base>.

Developed by Texas A&M University, the tool is for educational purposes only, and by using the tool, it is agreed that the results are not a guarantee of future FSA program parameters or payments. Users also acknowledge that this tool is provided with absolutely no warranty, without even the implied warranty of fitness for a particular purpose.

The Bipartisan Budget Act of 2018 included [seed cotton as a covered commodity](#) under the Agriculture Risk Coverage (**ARC**) and Price Loss Coverage (**PLC**) program effective for the 2018 crop year. The Act also authorizes owners of a farm with generic base acres and a recent history of covered commodities a one-time opportunity to update the farm's payment yield for seed cotton.

Complete details of this decision are available by reading the [Notice](#) (https://www.fsa.usda.gov/Internet/FSA_Notice/arcplc50.pdf)

Or by contacting your State or County FSA office <http://offices.usda.gov>.

Programs USDA to Help Producers Prepare for Addition of Seed Cotton to Two Key Safety Net

The U.S. Department of Agriculture (USDA) is sending acreage history and yield reports to agricultural producers with generic base acres covered by the [Agriculture Risk Coverage \(ARC\) and Price Loss Coverage \(PLC\) programs](#).

The Bipartisan Budget Act of 2018 amended the 2014 Farm Bill, adding seed cotton as a covered commodity under the ARC and PLC programs. This week, FSA will start sending information on current generic base acres, yields and 2008-2012 planting history.

The updates are an important part of preparing agricultural producers to make decisions on allocating generic basic acres and updating yields for seed cotton. This summer, producers will have an opportunity to allocate their generic base acres and update their seed cotton yield.

All producers electing to participate in either the ARC or PLC program will be required to make a one-time, unanimous and irrevocable election, choosing between price protection and county revenue protection for the 2018 crop year for seed cotton only. Producers who elected ARC with the individual farm option will continue with that option since that election is applicable to all base acre on the farm. The final step to participate requires producers with farms with seed cotton base acres to sign contracts for ARC or PLC for 2018 this summer.

The anticipated timeline is:

- June 29: Producers are mailed letters notifying them of current generic base acres and yields and 2008 to 2012 planting history.
- July: An online decision tool for ARC and PLC becomes available. Producers have opportunity to update yields and allocate generic base acres for ARC and PLC.
- Late July: ARC and PLC one-time elections occur for seed cotton.
- Late July: ARC and PLC sign-up for 2018 starts for farms with seed cotton base acres.

For more information, contact your local Farm Service Agency. To find an FSA office near you, visit: <http://offices.usda.gov>.

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.

Reporting Organic Crops

Producers who want to use the Noninsured Crop Disaster Assistance Program (NAP) organic price and selected the "organic" option on their NAP application must report their crops as organic.

When certifying organic acres, the buffer zone acreage must be included in the organic acreage.

Producers must also provide a current organic plan, organic certificate or documentation from a certifying agent indicating an organic plan is in effect. Documentation must include:

- name of certified individuals
- address
- telephone number
- effective date of certification
- certificate number
- list of commodities certified
- name and address of certifying agent
- a map showing the specific location of each field of certified organic, including the buffer zone acreage

Certification exemptions are available for producers whose annual gross agricultural income from organic sales totals \$5,000 or less. Although exempt growers are not required to provide a written certificate, they are still required to provide a map showing the specific location of each field of certified organic, transitional and buffer zone acreage.

For questions about reporting organic crops, contact your local FSA office. To find your local office, visit <http://offices.usda.gov>.

USDA Enrollment Period for Safety Net Coverage in 2018

Farmers and ranchers with base acres in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) safety net program may enroll for the 2018 crop year. The enrollment period will end on Aug. 1, 2018.

Since shares and ownership of a farm can change year-to-year, producers must enroll by signing a contract each program year.

The producers on a farm that are not enrolled for the 2018 enrollment period will not be eligible for financial assistance from the ARC or PLC programs for the 2018 crop should crop prices or farm revenues fall below the historical price or revenue benchmarks established by the program. Producers who made their elections in previous years must still enroll during the 2018 enrollment period.

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 prices or revenues for covered commodities. Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium grain rice (which includes short grain and sweet rice), safflower seed, sesame, soybeans, sunflower seed, wheat and seed cotton. For more details regarding these programs, go to www.fsa.usda.gov/arc-plc.

For more information, producers are encouraged to visit their local FSA office. To find a local FSA office, visit <http://offices.usda.gov>.

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.

Guaranteed Loan Program

FSA guaranteed loans allow lenders to provide agricultural credit to farmers who do not meet the lender's normal underwriting criteria. Farmers and ranchers apply for a guaranteed loan through a lender, and the lender arranges for the guarantee. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. Guaranteed loans can be used for both farm ownership and operating purposes.

Guaranteed farm ownership loans can be used to purchase farmland, construct or repair buildings, develop farmland to promote soil and water conservation or to refinance debt.

Guaranteed operating loans can be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance and other operating expenses.

FSA can guarantee farm ownership and operating loans up to \$1,399,000. 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 lender or local FSA farm loan office for more information on guaranteed loans.

Rates and Dates

Selected Interest Rates for July 2018		Dates to Remember	
90-Day Treasury Bill	1.875	7/10/18	Final date to file prevented planting for soybeans following another crop
Farm Operating Loans — Direct	3.875	7/15/18	Final date to report 2018 spring seeded crops. (NAP crops check with local county office for dates)
Farm Ownership Loans — Direct	4.125	8/1/18	Last day to file COC Election Nomination Forms
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.500	8/1/18	Final day to enroll in ARC/PLC
Emergency Loans	3.750		
Farm Storage Facility Loans (7 years)	2.875	11/5/18	COC Election Ballots mailed to eligible voters
Farm Storage Facility Loans (15 years)	3.000	12/3/18	Last day to return Voted COC Election Ballots to USDA Service Center
Commodity Loans 1996-Present	3.250	1/1/19	Newly elected COC members take office

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).