#### This is a courtesy copy of an email bulletin sent by Keith Dixon to (8250 recipients).



# **Arkansas FSA Newsletter**

## Arkansas Farm Service Agency

700 West Capitol Ave. Room 3416 Little Rock, AR 72201

#### www.fsa.usda.gov/ar

#### State Committee:

Theodore Eldridge, Sr.,Chair Eric Anderson, Member Mike Freeze, Member Johnny Loftin, Member Richard Simmons, Member

State Executive Director: Linda Newkirk

# Message from the State Executive Director

"I would like to express my appreciation to all Arkansas farmers and ranchers for their patience in the past several months while FSA has been processing disaster program applications. FSA was able to implement several disaster programs such as the Livestock Forage Program, the Livestock Indemnity Program, and the Emergency Assistance program for Livestock, Honey Bees, and Farm-raised Fish. These disaster programs provided much needed financial assistance for producers that suffered losses during 2011-2014. We now are asking for your cooperation for completing actions for the Agricultural Risk Coverage and Price Loss Coverage (ARC/PLC) programs. Under ARC/PLC provision owners are provided a one-time option to reallocate or retain base acres and/or update or retain yields. Owners must chose to reallocate base acres and/or update counter-cyclical yields by February 27, 2015. Also producers must make a one-time program election for Administrative Officer: Sharon Baker

**Division Chiefs:** Tony Franco, Farm Programs James Culpepper, Farm Loans

Please contact your local FSA Office for questions specific to your operation or county. the entire length of the farm bill (2014-2018) on which program (PLC, ARC-CO, ARC-IC) they wish to participate by March 31, 2015. Please make an appointment with your local FSA to complete these actions as soon as possible. Again thank you for your patience, and it is an honor and pleasure to serve the farmers and ranchers of this great State."

# Important ARC/PLC Program Deadlines Approaching

Producers are reminded that the deadline to update yield history and/or reallocate base acres is Feb. 27, 2015. Farm owners and producers can choose between the new 2014 Farm Bill established programs, Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) through March 31, 2015. The new programs, designed to help producers better manage risk, usher in one of the most significant reforms to U.S. farm programs in decades.

USDA helped create online tools to assist in the decision process, allowing farm owners and producers to enter information about their operation and see projections that show what ARC and/or PLC will mean for them under possible future scenarios. Farm owners and producers can access the online resources, available at <u>www.fsa.usda.gov/arc-plc</u>, from the convenience of their home computer or mobile device at any time.

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 rice), safflower seed, sesame, soybeans, sunflower seed and wheat. Upland cotton is no longer a covered commodity.

Dates associated with ARC and PLC that farm owners and producers need to know:

Now through Feb. 27, 2015: Farm owners may visit their local Farm Service Agency office to update yield history and/or reallocate base acres.

- Now through March 31, 2015: Producers make a one-time election between ARC and PLC for the 2014 through 2018 crop years.

- Mid-April 2015 through summer 2015: Producers sign contracts for 2014 and 2015 crop years.

- October 2015: Payments issued for 2014 crop year, if needed.

To learn more about which safety net options are most appropriate for specific farming operations, farmers can use new Web tools at <u>www.fsa.usda.gov/arc-plc</u>, which can be accessed from the convenience of a home computer or a mobile device at any time. To learn more about upcoming educational meetings, farmers can contact their local Farm Service Agency county office at <a href="http://offices.sc.egov.usda.gov/locator/app">http://offices.sc.egov.usda.gov/locator/app</a>.

#### USDA Provides Greater Protection for Fruit, Vegetable, and Other Specialty Crop Growers

Free Basic Coverage Plans and Premium Discounts Available for New, Underserved and Limited Income Farmers

Greater protection is now available from the Noninsured Crop Disaster Assistance Program for crops that historically have been ineligible for federal crop insurance. The new options, created by the 2014 Farm Bill, provide greater coverage for losses when natural disasters affect specialty crops such as vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, and energy crops.

Previously, the program offered coverage at 55 percent of the average market price for crop losses that exceed 50 percent of expected production. Producers can now choose higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price.

The expanded protection will be especially helpful to beginning and socially disadvantaged producers, as well as farmers with limited resources, who will receive fee waivers and premium reductions for expanded coverage. More crops are now eligible for the program, including expanded aquaculture production practices, and sweet and biomass sorghum. For the first time, a range of crops used to produce bioenergy will be eligible as well.

To help producers learn more about the Noninsured Crop Disaster Assistance Program and how it can help them, USDA, in partnership with Michigan State University and the University of Illinois, created an online resource. The Web tool, available at <u>www.fsa.usda.gov/nap</u>, allows producers to determine whether their crops are eligible for coverage. It also gives them an opportunity to explore a variety of options and levels to determine the best protection level for their operation.

To learn more, visit the Farm Service Agency (FSA) website at <u>www.fsa.usda.gov/nap</u> or contact your local FSA office at <u>offices.usda.gov</u>. The Farm Service Agency (FSA), which administers the program, also wants to hear from producers and other interested stakeholders who may have suggestions or recommendations on the program. Written comments will be accepted until Feb. 13, 2015 and can be submitted through <u>www.regulations.gov</u>.

#### USDA Reminds Farmers of 2014 Farm Bill Conservation Compliance Changes

The 2014 Farm Bill implements a change that requires farmers to have a Highly Erodible Land Conservation and Wetland Conservation Certification (AD-1026) on file.

For farmers to be eligible for premium support on their federal crop insurance, a completed and signed AD-1026 certification form must be on file with the FSA. The Risk Management Agency (RMA), through the Federal Crop Insurance Corporation (FCIC), manages the federal crop insurance program that provides the modern farm safety net for American farmers and ranchers.

Since enactment of the 1985 Farm Bill, eligibility for most commodity, disaster, and conservation programs has been linked to compliance with the highly erodible land conservation and wetland

conservation provisions. The 2014 Farm Bill continues the requirement that producers adhere to conservation compliance guidelines to be eligible for most programs administered by FSA and NRCS. This includes most financial assistance such as the new price and revenue protection programs, the Conservation Reserve Program, the Livestock Disaster Assistance programs and Marketing Assistance Loans and most programs implemented by FSA. It also includes the Environmental Quality Incentives Program, the Conservation Stewardship Program, and other conservation programs implemented by NRCS.

Many FSA and Natural Resource Conservation (NRCS) programs already have implemented this requirement and therefore most producers should already have an AD-1026 form on file for their associated lands. If an AD-1026 form has not been filed or is incomplete, then farmers are reminded of the deadline of June 1, 2015.

When a farmer completes and submits the AD-1026 certification form, FSA and NRCS staff will review the associated farm records and outline any additional actions that may be required to meet the required compliance with the conservation compliance provisions.

FSA recently released a revised form AD-1026, which is available at USDA Service Centers and online at: <u>www.fsa.usda.gov</u>. USDA will publish a rule later this year that will provide details outlining the connection of conservation compliance with crop insurance premium support. Producers can also contact their local USDA Service Center for information. A listing of service center locations is available at <u>offices.usda.gov</u>.

#### 2015 ACREAGE REPORTING DATES

In order to comply with FSA program eligibility requirements, all producers are encouraged to visit their local County FSA office to file an accurate crop certification report by the applicable deadline.

The following acreage reporting dates are applicable for all Arkansas Counties

May 15, 2015: Tomatoes

July 15, 2015: Conservation Reserve Program (CRP) Acres and ALL other crops

The following exceptions apply to the above acreage reporting dates:

• If the crop has not been planted by the above acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is completed.

• If a producer acquires additional acreage after the above acreage reporting date, then the acreage must be reported no later than 30 calendars days after purchase or acquiring the lease. Appropriate documentation must be provided to the county office.

• If a perennial forage crop is reported with the intended use of "cover only," "green manure," "left standing," or "seed," then the acreage must be reported by July 15th.

Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP covered crops is the earlier of the dates listed above or 15 calendar days before grazing or harvesting of the crop begins.

For questions regarding crop certification and crop loss reports, please contact your local County FSA office.

## **Filing for NAP Losses**

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) and crop insurance, 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.

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 Enhances Farm Storage Facility Loan Program**

The U.S. Department of Agriculture (USDA) today announced the expansion of the Farm Storage and Facility Loan program, which provides low-interest financing to producers. The enhanced program includes 22 new categories of eligible equipment for fruit and vegetable producers.

Producers with small and mid-sized operations, and specialty crop fruit and vegetable growers, now have access to needed capital for a variety of supplies including sorting bins, wash stations and other food safety-related equipment. A new more flexible alternative is also provided for determining storage needs for fruit and vegetable producers, and waivers are available on a case-by-case basis for disaster assistance or insurance coverage if available products are not relevant or feasible for a particular producer.

Additionally, Farm Storage Facility Loan security requirements have been eased for loans up to \$100,000. Previously, all loans in excess of \$50,000 and any loan with little resale value required a promissory note/security agreement and additional security, such as a lien on real estate. Now loans up to \$50,000 can be secured by only a promissory note/security agreement and some loans between \$50,000 and \$100,000 will no longer require additional security.

The low-interest funds can be used to build or upgrade permanent facilities to store commodities. Eligible commodities include grains, oilseeds, peanuts, pulse crops, hay, honey, renewable biomass commodities, fruits and vegetables. Qualified facilities include grain bins, hay barns and cold storage facilities for fruits and vegetables.

Contact your local FSA office or visit <u>www.fsa.usda.gov</u> for more about FSA programs and loans, including the Farm Storage Facility Loan Program.

# NAP Coverage Available for 2015 Crops for Livestock Feed Intended for Grazing:

It is important that producers note that NAP coverage WILL be available for annually planted crops for livestock feed intended for grazing because RMA is not offering CAT level coverage under the Rainfall Index-Annual Forage Insurance Plan. The NAP sales closing date for this insurance is March 15, for crops planted in the spring.

Please contact your local FSA office for questions concerning NAP or your crop insurance agent for questions concerning RMA crop insurance. A list of agents can be found at <u>www.rma.usda.gov/</u>.

### **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 to update their CCC-902 Farm Operating Plan.

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

### **Youth Loans**

The Farm Service Agency makes loans to youth to establish and operate agricultural incomeproducing 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.<span style="mso-spacerun: yes"> </span>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.

### **Beginning Farmer Loans**

FSA assists beginning farmers to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm

- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA

- Does not own a farm in excess of 30 percent of the county's average size farm.

Additional program information loan applications and other materials are available at your local

USDA Service Center. You may also visit www.fsa.usda.gov.

USDA is an equal opportunity provider and employer. 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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