

August 2016



Having trouble viewing this email? [View it as a Web page.](#)

---

## North Dakota FSA eNews

---

- [From the State Executive Director](#)
- [2016 Crop – NAP Notice of Loss](#)
- [Managed Haying or Grazing of Certain CRP Acreages](#)
- [Early Land Prep for CRP Contracts Expiring September 30, 2016](#)
- [FSA Unveils Monthly Webinar Series- Featuring FSFL in August](#)
- [ARC and PLC Acreage Maintenance](#)
- [Foreign Buyers Notification](#)
- [Beneficial Interest Requirements for Loan and LDP's](#)
- [LDP Applications](#)
- [Marketing Assistance Loans](#)
- [Late-Filed Acreage Reports](#)
- [Preventing Crop Insurance Fraud, Waste, and Abuse](#)
- [USDA Announces Safety Net Assistance for Milk Producers Due to Tightening Dairy Margins](#)
- [Emergency Loans](#)
- [August Loan and Interest Rates](#)
- [Calendar Deadlines](#)

---

### North Dakota Farm Service Agency

North Dakota State Office  
1025 28th St S  
Fargo, ND 58103  
Phone: 701-239-5224  
Fax: 855-813-6644

**State Executive Director:**  
Aaron Krauter

**State Committee (STC)**  
Marcy Svenningsen, Chairperson  
Todd Hall, Member  
Lynn Jacobson, Member  
Marie Marshall, Member  
Lucy Matejcek, Member

### From the State Executive Director

America's farmers and ranchers are some of the hardest working folks that I know. They work very hard physically to get the crops planted and harvested or the hay put up and the long hours calving. It is not easy work and at the end of many of those days the time to put up one's feet to relax is simply part of the reward of a days' work. These folks also work very hard mentally keeping their operations running smoothly, paying the bills and nowadays watching markets 24/7.

These activities all take place while many are raising their families alongside them building lasting farm family values. I think it just does not get any better than that in America. My hat goes off to our farmers and ranchers.

**State Office Staff**

*Administrative Officer*  
Russell Bubach  
*Compliance/Payment Limitations*  
Bryan Olschlager  
*Conservation/Livestock*  
Brad Olson  
*ARC/PLC/NAP/Disaster*  
Laura Heinrich  
*Farm Loan Programs*  
Curt Thoreson  
*Price Support*  
Brian Haugen

Small grain harvest is in full swing here in North Dakota and with low commodity prices there are some very important items to remember from the Farm Service Agency. If you are thinking about taking out a CCC-marketing Loan or if Loan Deficiency Payments kick in for certain crops, please contact your local county FSA office to assure you have the appropriate forms on file prior to losing beneficial interest.

Have a great harvest and be safe out there.

[Back to top](#)

**Find Your Local Office**

<http://offices.sc.egov.usda.gov/locator/app>

---

## 2016 Crop – NAP Notice of Loss

Producers with a NAP policy should file a notice of loss if they believe their crops have suffered a yield loss. In addition, if a producer is going to abandon or graze a crop with NAP coverage, the crop must be appraised prior to destruction of the acreage to ensure coverage. Producers with NAP coverage on grazing land should also file a notice of loss if they have suffered a loss in grazing capacity on pastures.

[Back to top](#)

---

## Managed Haying or Grazing of Certain CRP Acreages

CRP participants may hay or graze certain CRP acreages under Managed Haying/Grazing provisions. The haying and grazing period begins August 2nd. The haying operation must end on September 1, 2016, whereas the grazing activity could be authorized as late as September 30, 2016, depending on the approved stocking rate for the acreage. Interested CRP participants must complete the applicable application process and receive approval from their local FSA Office prior to any harvesting or grazing of CRP.

[Back to top](#)

---

## Early Land Prep for CRP Contracts Expiring September 30, 2016

CRP participants may receive authorization to begin seedbed preparation for a fall or spring-seeded crops during the final year of the CRP contract. This provision applies to acreage enrolled in certain CRP practices. Participants should contact the County FSA Office to determine eligibility. Participants will also have to revise their Conservation Plan of Operations at the NRCS office and receive approval from FSA prior to destruction of the cover.

Participants who are preparing for a fall or spring seeded crop may physically destroy cover beginning August 2 of the final year. The annual rental payment will assessed a payment reduction from the date the authorization is approved. Furthermore, if the cover is grazed or mechanically harvested prior to destruction, an additional payment reduction will be applied.

[Back to top](#)

---

## **FSA Unveils Monthly Webinar Series- Featuring FSFL in August**

The FSA Outreach and Education Division will host a series of webinars each month to inform producers about FSA programs and initiatives. To register for the webinar below, visit [www.fsa.usda.gov/outreach](http://www.fsa.usda.gov/outreach) and click on "Outreach Webinars."

**Aug. 9 @ 2 p.m. EDT**

The webinar will be recorded for future viewing and can be accessed on [www.fsa.usda.gov/outreach](http://www.fsa.usda.gov/outreach).

Tune in and learn how this program may be able to help your operation!

Persons with disabilities who require accommodations to attend or participate in this webinar should contact Tanya Brown at 202-690-1700 or Federal Relay Service at 1-800-877-8339 at least three business days prior to the webinar.

[Back to top](#)

---

## **ARC and PLC Acreage Maintenance**

Producers enrolled in Agriculture Risk Coverage (ARC) and/or Price Loss Coverage (PLC) must protect all cropland and noncropland acres on the farm from wind and water erosion and noxious weeds. Producers who sign ARC county or individual contracts and PLC contracts agree to effectively control noxious weeds on the farm according to sound agricultural practices. If a producer fails to take necessary actions to correct a maintenance problem on a farm that is enrolled in ARC or PLC the County Committee may elect to terminate the contract for the program year.

[Back to top](#)

---

## **Foreign Buyers Notification**

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA.

All individuals who are not U.S. citizens, and have purchased or sold agricultural land in the county are required to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form (FSA-153) could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, Realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

[Back to top](#)

---

## **Beneficial Interest Requirements for Loan and LDP's**

Producers are required to maintain beneficial interest in the commodity tendered for loan or LDP. Beneficial interest includes having control and title in the commodity. Loss of any one element causes loss of beneficial interest.

Sales agreements, including options to purchase, priced later and contracts for future delivery can impact beneficial interest. Once beneficial interest is lost, the commodity remains ineligible for loan

or LDP, even if the producer regains control or title at a later date. Some contracts may also have provisions, such as restrictions on ability to mortgage the commodity or storage earned prior to delivery, that impact when beneficial interest is lost even if no payment has been issued to the seller. Even without a sales contract, delivery location, such as a feed lot, ethanol plant, seed plant or licensed warehouse can also impact when beneficial interest is considered lost.

Producers planning to use any of the various types of sales contracts can request to have the contract reviewed by the local county FSA office to determine how the contract would impact beneficial interest.

[Back to top](#)

---

## LDP Applications

LDP's are available when the CCC-determined market repayment rate is below the commodity loan rate. On August 1, 2016, crop year 2016 wheat (hard red winter) reached LDP levels. LDP rates for wheat and feed grain commodities are announced daily.

LDP's are only available on a commodity after the commodity is harvested, or sheared if wool or mohair, or extracted if honey. Approved storage is not required for commodities to be eligible for LDP. If an LDP payment is requested, a producer agrees to forego obtaining a loan on the same quantity.

LDP applications can be filed in person, by fax or electronically through the eLDP process.

The CCC-633 EZ is a multi-part form. Page 1 is filed as an intention to request LDP benefits. It must be filed each crop year and will cover all farms and commodities in which a producer has an interest for the 2016 crop year. Page 1 must be filed before beneficial interest is lost in the commodity and before a request for payment is completed on pages 2-4. The current version of the form and only one accepted by CCC is dated March 28, 2014. The completion of page 1 does not cause a producer to lose loan eligibility for the commodity. The option of obtaining a loan is maintained until a quantity is requested on the page 2 or 4 payment request.

Page 2 of the form is used to request the LDP payment for wheat, feed grains, oilseeds, pulse crops and honey. Page 4 is used to request mohair, wool and unshorn pelt LDP payments. Page 2 and page 4 of the application must be filed in the county FSA office that maintains the farm records for the farm that produced the requested commodity.

[Back to top](#)

---

## Marketing Assistance Loans

USDA's Commodity Credit Corporation makes available nonrecourse marketing assistance loans on certain crop year 2016 commodities. These loans can be requested by mail, via fax, or in person by properly completing the loan application (CCC-666). Loan applications are available at all county FSA offices and online at: <http://forms.sc.egov.usda.gov/eForms/>

A commodity loan application must be filed at the county office that maintains the farm records for the farm that produced the commodity for the loan. The 2016 crop commodity loan rates are available at any county FSA office, or online at: <http://www.fsa.usda.gov> and clicking on the "Price Support" link.

Lien searches are required for all applicants and spouses, to identify prior lien holders. County Offices update CCC-10's by verifying an individual's name according to their driver's license. Lien waivers are required from all lien holders before the commodity loan can be disbursed.

Producer's applying for a Marketing Assistance Loan (MAL) acknowledge that USDA's Commodity Credit Corporation (CCC) will take a security interest in the collateral to secure payment of any loan being made or to be made. CCC then files a UCC-1 financing statement.

When FSA determines a UCC-1 is required, County FSA Offices will be requiring loan applicants to submit payment of \$40 payable to the ND Secretary of State at the time of loan application. Once the UCC has been recorded in Central Indexing System, FSA will reimburse the loan applicant their \$40 UCC filing fee previously collected.

To be eligible for loan the commodity must meet the applicable commodity definition in the Official United States Standards and specific commodity eligibility requirements for a nonrecourse loan.

Farm-stored loans are available in approved storage structures that provide safe storage for the commodity through the maturity date of the loan.

Warehouse-stored loans are also available at CCC-approved storage warehouses or State licensed warehouses which have been assigned a CCC warehouse code. Proof of storage paid through the loan maturity date and proof of payment of in-charges must be provided with the warehouse receipt for the warehouse stored loan.

Loans mature on demand, but no later than the last day of the ninth calendar month after the month in which the loan was disbursed.

Producers requesting commodity loans are required to maintain beneficial interest in the commodity tendered for loan. Beneficial interest includes having control and title in the commodity. Loss of any one element causes loss of beneficial interest.

[Back to top](#)

---

## **Late-Filed Acreage Reports**

The deadline for timely filing an acreage report in North Dakota for spring-seeded crops for the 2016 program year was July 15, 2016. Acreage reports must be filed for all cropland on the farm before any 2016 ARC/PLC payments can be made or before eligibility can be established for marketing assistance loans and LDP's. Additionally, participants of the Conservation Reserve Program (CRP) and the Non-insured Assistance Program (NAP) must report the specific acreage for which benefits are being requested. Although the reporting deadline has passed, county offices will accept late-filed acreage reports providing certain criteria are met. Contact your local county office for additional information relative to late-filed acreage reports.

[Back to top](#)

---

## **Preventing Crop Insurance Fraud, Waste, and Abuse**

The Farm Service Agency and Risk Management Agency are partners in preventing fraud, waste, and abuse in the Federal Crop Insurance Program. FSA has been, and will continue to, assist RMA and insurance providers by monitoring crop conditions throughout the growing season. In addition, FSA will refer all suspected cases of fraud, waste, and abuse to RMA.

Producers can report suspected cases to the county office staff, RMA, or the Office of the Inspector General (OIG).

[Back to top](#)

---

# USDA Announces Safety Net Assistance for Milk Producers Due to Tightening Dairy Margins

## *May/June 2016 Average Margins Below \$6*

USDA today announced approximately \$11.2 million in financial assistance to American dairy producers enrolled in the 2016 Margin Protection Program for Dairy (MPP-Dairy). The payment rate for May/June 2016 will be the largest since the program began in 2014. The narrowing margin between milk prices and the cost of feed triggered the payments, as provided for by the 2014 Farm Bill.

Dairy producers should evaluate their enrollment options for 2017, as the enrollment period ends Sept. 30, 2016.

Dairy producers who enrolled at the \$6 through \$8 margin trigger coverage level will receive payments. MPP-Dairy payments are triggered when the national average margin (the difference between the price of milk and the cost of feed) falls below a level of coverage selected by the dairy producer, ranging from \$4 to \$8, for a specified consecutive two-month period. All final USDA prices for milk and feed components required to determine the national average margin for May/June 2016 were released on July 29, 2016.

The national average margin for the May/June 2016 two-month consecutive period is \$5.76277 per hundred weight (cwt.).

State specific payment amounts can be found at [www.fsa.usda.gov/dairy](http://www.fsa.usda.gov/dairy).

To learn more about the Margin Protection Program for dairy, visit the Farm Service Agency (FSA) online at [www.fsa.usda.gov/dairy](http://www.fsa.usda.gov/dairy) or stop by a local FSA office. Producers may visit [www.fsa.usda.gov/mpptool](http://www.fsa.usda.gov/mpptool) to calculate the best levels of coverage for their dairy operation. To find an FSA office near you, visit <http://offices.usda.gov>.

[Back to top](#)

---

## Emergency Loans

Producers with operations in counties that have been declared Presidential Disaster Areas or designated as a disaster area by the Secretary of Agriculture or in a contiguous county are eligible to apply for low interest emergency loans.

Emergency loans help producers recover from production and physical losses due to drought, flooding and other natural disaster or quarantine.

Producers have eight months from the date of the declaration to apply for emergency loan assistance. FSA will consider each loan application on its own merits, taking into account the extent of losses, security available and repayment ability. Producers can borrow up to 100% of actual production or physical losses, to a maximum of \$500,000. The current emergency loan interest rate for Amount of Actual Loss Emergency loan is 3.25%.

Producers with operation in counties that did receive a disaster designation could be eligible for emergency loan assistance if they suffered at least a 30 percent loss in crop production, or a physical loss to livestock, livestock products, real estate or chattel property.

For more information about emergency loans, please contact your local FSA office or visit [www.fsa.usda.gov](http://www.fsa.usda.gov)

[Back to top](#)

---

## August Loan and Interest Rates

Commodity Loans -**1.500%**  
Operating Loans - **2.25%**  
Farm Ownership Loans -**3.375%**  
Farm Ownership- Joint Financing- **2.5%**  
Farm Ownership - Down Payment Loans - **1.50%**  
Emergency - Amount of Actual Loss - **3.25%**  
Farm Storage Facility Loan, 3-Year - **.750%**  
Farm Storage Facility Loan, 5-Year -**1.125%**  
Farm Storage Facility Loan, 7-Year - **1.375%**  
Farm Storage Facility Loan, 10-Year - **1.500%**  
Farm Storage Facility Loan, 12-Year - **1.625%**

---

## Calendar Deadlines

**September 1** - 2017 Floriculture NAP Coverage  
**September 30** - 2017 Rye, Rhubarb, and Asparagus NAP Coverage  
**November 15** - Acreage Reporting Deadline for 2016 Fall-Seeded Small Grains, Apiculture, and PRF/Perennial Forage  
**December 1** - 2017 Honey NAP Coverage

[Back to top](#)

---

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).

---