

April 2017



Farm Service Agency

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## NEWSLETTER



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## North Dakota FSA e-News

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### North Dakota Farm Service Agency

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### New CRP SAFE Project

North Dakota farmers currently have another opportunity to enroll acreage in the Conservation Reserve Program (CRP) through an initiative that focuses specifically on wildlife – State Acres For Wildlife Enhancement (SAFE).

The program's goal is to increase the availability of prairie habitat for breeding grassland birds with declining population trends in North Dakota.

The Declining Grassland Bird SAFE project has been allocated 40,000 acres to be enrolled in CRP. The project area for Declining Grassland Birds SAFE is as follows: all of Adams, Billings, Bowman, Burleigh, Dunn, Emmons, Grant, Golden Valley, Hettinger, Kidder, Logan, McIntosh, McKenzie, Mercer, Morton, Oliver, Sioux, Slope, Stark, and Williams counties, and portions of Burke, Dickey, Divide, Foster, LaMoure, McHenry, McLean, Mountrail, Sheridan, Stutsman, Ward, and Wells counties.

*Conservation/Livestock*  
Brad Olson  
*ARC/PLC/NAP/Disaster*  
Laura Heinrich  
*Farm Loan Programs*  
Ryan Lindbom  
*Price Support*  
Brian Haugen

Eligibility requirements are similar to other CRP practices, such as being cropped 4 out of 6 years between 2008 – 2013, plus other eligibility criteria. However the target species require shorter grasses, therefore fields with existing cover will not qualify. Furthermore, the minimum size of the offer must be 100 acres of contiguous land.

**Find Your Local Office:**

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

For more information, please contact your local FSA Office.

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## **USDA and State of North Dakota, partner in 20,000 Acre Conservation Reserve Enhancement Program (CREP)**

USDA and the State of North Dakota are partners in implementing a voluntary Conservation Reserve Enhancement Program (CREP) to enroll up to 20,000 acres in portions of Adams, Billings, Bowman, Burleigh, Dunn, Emmons, Grant, Golden Valley, Hettinger, McKenzie, Mercer, Morton, Oliver, Sioux, Slope and Stark counties.

The North Dakota Riparian Project CREP is intended to improve water quality, reduce soil erosion, reduce the amount of sediment, phosphorous and other pollutants entering waterbodies and create and improve habitat beneficial to pollinators and other wildlife. The project closely aligns with the ND Game and Fish Department's State Wildlife Action Plan and the Save Our Lakes Program priority watersheds.

USDA's Farm Service Agency (FSA) will provide more than \$19 million in annual rental, incentive and cost-share payments to enroll or re-enroll land devoted to filter strips, riparian buffers or pollinator/honeybee habitat, while the State of North Dakota will contribute more than \$4.3 million. The amount of payments/incentives/assistance would only be realized if all 20,000 acres are enrolled within a 10 year period. Under the North Dakota Riparian Project CREP, producers receive higher incentive and rental payments that increase the total amount of payments received.

A riparian buffer is an area of trees and shrubs located adjacent to streams, lakes, ponds and wetlands. A filter strip is a mixture of grasses planted to help reduce the amount of run-off sediment and nutrients from reaching the targeted watersheds.

All land enrolled in a CRP contract under the North Dakota Riparian Project CREP must also be enrolled in the North Dakota Private Land Open to Sportsman (PLOTS) program. A minimum of 40 acres of land must be enrolled in the North Dakota PLOTS program for the length of the associated CRP contract. If the total acres enrolled in a CRP contract is less than 40 acres, the producer must enroll other land into the North Dakota PLOTS program to meet the 40 acre minimum requirement.

Producers interested in enrolling land into this CREP should contact their local FSA office and the ND Game and Fish Department.

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## **2016 ARC-IC – Farm Benchmark and Actual Yield Certification**

Producers, who have a 2016 ARC-IC program contract on one or more FSA farms, must complete the certification of ARC-IC yields for each ARC-IC farm and each covered commodity planted in 2016 by not later than July 15, 2017.

Production evidence that can be used to support the certified yields can be from the following sources:

- Crop Insurance loss records
- Sales records (buyer specific)
- Crop Insurance APH data base records
- Farm stored production records, appraisals

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## Livestock Disaster Programs

The Livestock Indemnity Program (LIP) provides assistance to eligible producers for livestock death losses in excess of normal mortality due to adverse weather and attacks by animals reintroduced into the wild by the federal government or protected by federal law. LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to winter storms, lightning, straight-line winds, blue-green algae poisoning, floods, blizzards, wildfires, extreme heat or extreme cold.

A notice of loss must be filed with FSA within 30 days of when the loss of livestock is apparent. Participants must provide the following supporting documentation to their local FSA office no later than 90 calendar days after the end of the calendar year in which the eligible loss condition occurred.

- Proof of death documentation
- Copy of growers contracts
- Proof of normal mortality documentation

The LIP national payment rate for eligible livestock owners is based on 75 percent of the average fair market value of the livestock for the applicable program year.

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## Farm Storage Facility Loan Program

The Farm Storage Facility Loan Program (FSFL) allows producers of eligible commodities to obtain low-interest financing to build or upgrade on-farm storage and handling facilities. The maximum principal amount of a loan through FSFL is \$500,000. Participants are required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the eligible net cost of the storage facility and permanent drying and handling equipment. FSA requires additional security for all loans exceeding \$100,000 or when the aggregate amount of FSFL loans exceeds \$100,000.

Loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department. Sign-up for the FSFL program is continuous throughout the year. All requests for FSFL prior to loan approval require a site inspection for an environmental assessment in accordance to National Environmental Protection Agency (NEPA) requirements showing no adverse impacts. FSFL policy requires the following actions cannot occur at the proposed FSFL location prior to the environmental assessment being completed:

- **accepting delivery of equipment and/or materials in previously undisturbed areas**
- **site preparation or foundation construction in previously undisturbed areas**
- **no alteration to any structures that are 50 years old or older or within a historic district**

If any of the above are completed prior to FSA completing the on-site assessment may impede the completion of the environmental assessment and eligibility for the FSFL.

A new financing option under the Farm Storage Facility Loan Program to help farmers purchase portable storage and handling equipment. The program also offers a new "microloan" option, which allows applicants seeking less than \$50,000 to qualify for a reduced down payment of five percent and no requirement to provide three years of production history. Farms and ranches of all sizes are eligible. The microloan option is expected to be of particular benefit to smaller farms and ranches, and specialty crop producers who may not have access to commercial storage or on-farm storage after harvest. These producers can invest in equipment like conveyers, scales, grain carts, grain baggers or handling trucks that can move or store commodities before delivering them to markets. Producers do not need to demonstrate the lack of commercial credit availability to apply.

For more information about FSFL please visit your FSA county office or [www.fsa.usda.gov](http://www.fsa.usda.gov).

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# USDA Announces Enrollment Period for Safety Net Coverage in 2017

Producers on farms with base acres under the safety net programs established by the 2014 Farm Bill, known as the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs, can visit their local FSA office to sign contracts and enroll for the 2017 crop year. The enrollment period will continue until Aug. 1, 2017.

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

If a farm is not enrolled during the 2017 enrollment period, the producers on that farm will not be eligible for financial assistance from the ARC or PLC programs for the 2017 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 2015 must still enroll during the 2017 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 and wheat. Upland cotton is no longer a covered commodity. For more details regarding these programs, go to [www.fsa.usda.gov/arc-plc](http://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>.

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## Fruit, Vegetable and Wild Rice Planting Rules

Producers who intend to participate in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs are subject to an acre-for-acre payment reduction when fruits and nuts, vegetables or wild rice are planted on the payment acres of a farm. Payment reductions do not apply to mung beans, dry peas, lentils or chickpeas. Planting fruits, vegetables or wild rice on acres that are not considered payment acres will not result in a payment reduction. Farms that are eligible to participate in ARC/PLC but are not enrolled for a particular year may plant unlimited fruits, vegetables and wild rice for that year but will not receive ARC/PLC payments for that year. Eligibility for succeeding years is not affected.

Planting and harvesting fruits, vegetables and wild rice on ARC/PLC acreage is subject to the acre-for-acre payment reduction when those crops are planted on either more than 15 percent of the base acres of a farm enrolled in ARC using the county coverage or PLC, or more than 35 percent of the base acres of a farm enrolled in ARC using the individual coverage.

Fruits, vegetables and wild rice that are planted in a double-cropping practice will not cause a payment reduction if the farm is in a double-cropping region as designated by the USDA's Commodity Credit Corporation.

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## Cover Crop Guidelines

Recently the Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS) and Risk Management Agency (RMA) worked together to develop consistent, simple and a flexible policy for cover crop practices. The termination and reporting guidelines were updated for cover crops.

### **Termination:**

The cover crop termination guidelines provide the timeline for terminating cover crops, are based on zones and apply to non-irrigated cropland. To view the zones and additional guidelines visit <https://www.nrcs.usda.gov/wps/portal/nrcs/main/national/landuse/crops/> and click "Cover Crop Termination Guidelines."

### **Reporting:**

The intended use of cover only will be used to report cover crops. This includes crops that were terminated by tillage and reported with an intended use code of green manure. An FSA policy change will allow cover crops to be hayed and grazed. Program eligibility for the cover crop that is being hayed or grazed will be determined by each specific program.

If the crop reported as cover only is harvested for any use other than forage or grazing and is not terminated properly, then that crop will no longer be considered a cover crop.

Crops reported with an intended use of cover only will not count toward the total cropland on the farm. In these situations a subsequent crop will be reported to account for all cropland on the farm.

Cover crops include grasses, legumes, and forbs, for seasonal cover and other conservation purposes. Cover crops are primarily used for erosion control, soil health improvement, and water quality improvement. The cover crop may be terminated by natural causes, such as frost, or intentionally terminated through chemical application, crimping, rolling, tillage or cutting. A cover crop managed and terminated according to NRCS Cover Crop Termination Guidelines is not considered a crop for crop insurance purposes.

Cover crops can be planted: with no subsequent crop planted, before a subsequent crop, after prevented planting acreage, after a planted crop, or into a standing crop.

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## **New Improvement to Streamline Crop Reporting**

### ***Update Lets Farmers and Ranchers Report Common Acreage Information Once***

Farmers and ranchers filing crop acreage reports with the Farm Service Agency (FSA) and participating insurance providers approved by the Risk Management Agency (RMA) now can provide the common information from their acreage reports at one office and the information will be electronically shared with the other location.

This new process is part of the USDA Acreage Crop Reporting Streamlining Initiative (ACRSI). This interagency collaboration also includes participating private crop insurance agents and insurance companies, all working to streamline the information collected from farmers and ranchers who participate in USDA programs.

Once filing at one location, data that's important to both FSA and RMA will be securely and electronically shared with the other location avoiding redundant and duplicative reporting, as well as saving farmers and ranchers time.

USDA has been working to streamline the crop reporting process for agricultural producers, who have expressed concerns with providing the same basic common information for multiple locations. In 2013, USDA consolidated the deadlines to 15 dates for submitting these reports, down from the previous 54 dates at RMA and 17 dates for FSA. USDA representatives believe farmers and ranchers will experience a notable improvement in the coming weeks as they approach the peak season for crop reporting later this summer.

More than 93 percent of all annual reported acres to FSA and RMA now are eligible for the common data reporting, and USDA is exploring adding more crops. Producers must still visit both locations to validate and sign acreage reports, complete maps or provide program-specific information. The common data from the first-filed acreage report will now be available to pre-populate and accelerate completion of the second report. Plans are underway at USDA to continue building upon the framework with additional efficiencies at a future date.

Farmers and ranchers are also reminded that they can now access their FSA farm information from the convenience of their home computer. Producers can see field boundaries, images of the farm, conservation status, operator and owner information and much more.

The new customer self-service portal, known as FSAFarm+, gives farmers and ranchers online access to securely view, print or export their personal farm data. To enroll in the online service,

producers are encouraged to contact their local FSA office for details. To find a local FSA office in your area, visit <http://offices.usda.gov>.

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## USDA Announces Streamlined Guaranteed Loans and Additional Lender Category for Small-Scale Operators

*Options Help More Beginning, Small and Urban Producers Gain Access to Credit*

The U.S. Department of Agriculture (USDA) announced the availability of a streamlined version of USDA guaranteed loans, which are tailored for smaller scale farms and urban producers. The program, called EZ Guarantee Loans, uses a simplified application process to help beginning, small, underserved and family farmers and ranchers apply for loans of up to \$100,000 from USDA-approved lenders to purchase farmland or finance agricultural operations.

A new category of lenders will join traditional lenders, such as banks and credit unions, in offering USDA EZ Guarantee Loans. Microlenders, which include Community Development Financial Institutions and Rural Rehabilitation Corporations, will be able to offer their customers up to \$50,000 of EZ Guaranteed Loans, helping to reach urban areas and underserved producers. Banks, credit unions and other traditional USDA-approved lenders, can offer customers up to \$100,000 to help with agricultural operation costs.

EZ Guarantee Loans offer low interest rates and terms up to seven years for financing operating expenses and 40 years for financing the purchase of farm real estate. USDA-approved lenders can issue these loans with the Farm Service Agency (FSA) guaranteeing the loan up to 95 percent.

More information about the available types of FSA farm loans can be found at [www.fsa.usda.gov/farmloans](http://www.fsa.usda.gov/farmloans) or by contacting your local FSA office.

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## Calendar Deadlines

### *Important Upcoming Dates and Deadlines*

July 15 - 2016 ARC-IC Production Evidence

August 1 - 2017 ARCPLC Sign up deadline

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## April 2017 Loan and Interest Rates

Commodity Loans – **2.000%**

Operating Loans – **2.875%**

Farm Ownership and Conservation Loans – **4.000%**

Farm Ownership-Joint Financing – **2.500%**

Emergency - Amount of Actual Loss - **3.875%**

Farm Ownership-Down Payment Loans – **1.500%**

Farm Storage Facility Loan, 3-Year – **1.625%**

Farm Storage Facility Loan, 5-Year – **2.000%**

Farm Storage Facility Loan, 7-Year – **2.250%**

Farm Storage Facility Loan, 10-Year – **2.500%**

Farm Storage Facility Loan, 12-Year – **2.500%**

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