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Farm Service Agency Electronic News Service

NEWSLETTER

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- North Dakota FSA eNews
- A Special 2018 Ag Day Message from: Brad Thykeson, Executive Director, North Dakota Farm Service Agency
- 2017 Livestock Indemnity Program
- 2018 Livestock Indemnity Program
- Transitioning Expiring CRP Land to Beginning, Veteran or Underserved Farmers and Ranchers
- <u>USDA Encourages Producers to Consider Risk Protection Coverage before Crop Sales</u>
 Deadlines
- USDA Announces Enrollment Period for Safety Net Coverage in 2018
- New Actively Engaged Provisions for Non-Family Joint Operations or Entities
- Highly Erodible Land (HEL) and Wetland Conservation Compliance
- Producers are Encouraged to Report Prevented Planting and Failed Acres
- 2017 Crop Year Commodity Loan Deadline
- Commodity Loan Repayments
- Update Your Records
- <u>USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning</u> Farmers
- Calendar Deadlines
- March 2018 Loan and Interest Rates

North Dakota FSA eNews

North Dakota Farm Service Agency

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Brad Thykeson

A Special 2018 Ag Day Message from: Brad Thykeson, Executive Director, North Dakota Farm Service Agency

National Agriculture Day Celebrates American Food and Fiber Production

It's National Agriculture Day, a day designated each year by the <u>Agriculture Council of America (ACA)</u> to celebrate the accomplishments of agriculture.

North Dakota <u>Farm Service Agency (FSA)</u> joins the

State Committee (STC):

Jim Hauge, Chairperson Jared Hagert, Member Erika Kenner, Member Edward Kessel, Member Barton Schott, Member

State Office Staff:

Administrative Officer Russell Bubach Compliance/Payment Limitations Wanda Braton Conservation/Livestock **Brad Olson** ARC/PLC/NAP/Disaster Laura Heinrich Farm Loan Programs Ryan Lindbom Price Support Brian Haugen

Find Your Local Office:

council in recognizing farmers, ranchers and foresters for their contributions to the nation's outstanding quality of life.

This year's theme, Agriculture: Food for Life, spotlights the hard work of American producers who diligently work to provide food, fiber and more to the United States and countries around the world. To ensure a prosperous future for American agriculture, FSA provides continuous support to agriculturalists across the country.

FSA is rural America's engine for economic growth, job creation and development, offering local service to millions of rural producers. In fiscal year 2017, USDA Farm Loan programs provided \$6 billion in support to producers across America, the second highest total in FSA history. FSA also distributed \$1.6 billion in Conservation Reserve Program (CRP) payments to over 375,000 Americans to improve water quality, reduce soil erosion and increase wildlife habitat.

http://offices.sc.egov.usda.gov/locator/app For agricultural producers who suffered market downturns in 2016, USDA is issuing approximately \$8 billion in payments under the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs. USDA also continues to provide extensive assistance in response to natural disasters throughout the country, including last year's hurricanes in Florida, Texas, Puerto Rico and the Virgin Islands, drought in the northern high plains, wildfires in the west and central plains, floods, tornados, freezes and other catastrophic weather events.

To support beginning farmers and ranchers, Agriculture Secretary Sonny Perdue signed a Memorandum of Understanding with officials from SCORE, the nation's largest volunteer network of expert business mentors, to support new and beginning farmers. The agreement provides new help and resources for beginning ranchers, veterans, women, socially disadvantaged Americans and others, providing new tools to help them both grow and thrive in agribusiness.

I am honored to administer programs that enable our producers to manage their risks when the agriculture industry faces hardship. On behalf of the North Dakota Farm Service Agency, I would like to thank our agricultural producers for continuing to feed our nation and the world!

- Brad Thykeson

Back to top

2017 Livestock Indemnity Program

Producers who suffered livestock deaths due to eligible adverse weather events from January 1, 2017 through December 31, 2017 may submit an application for payment with their local FSA County Office by the April 2, 2018 deadline.

Eligible livestock producers MUST have filed a notice of loss within 30 calendar days from when the loss was apparent. After the notice of loss has been filed, the producer must also submit an application for payment. This can be done any time prior to the April 2, 2018 deadline. In addition to the application for payment, producers must submit inventory records, such as calving/lambing

books, sales records, purchase records, veterinary records, etc, to document the number of eligible livestock. In addition to the inventory records, livestock producers must compile records to document livestock deaths due to eligible weather events.

Back to top

2018 Livestock Indemnity Program

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 hurricanes, floods, blizzards, wildfires, extreme heat or extreme cold.

For 2018, eligible losses must occur on or after Jan. 1, 2018, and no later than 60 calendar days from the ending date of the applicable adverse weather event or attack. 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

USDA has established normal mortality rates for each type and weight range of eligible livestock, i.e. Adult Beef Cow = 1.6% and Non-Adult Beef Cattle (less than 400 pounds) = 4.6%. These established percentages reflect losses that are considered expected or typical under "normal" conditions. Producers who suffer livestock losses in 2018 must file both of the following:

- A notice of loss the earlier of 30 calendar days of when the loss was apparent
- An application for payment by March 31, 2019.

Additional Information about LIP is available at your local FSA office or online at: www.fsa.usda.gov.

Back to top

Transitioning Expiring CRP Land to Beginning, Veteran or Underserved Farmers and Ranchers

Retired or retiring landowners or operators are encouraged to transition their Conservation Reserve Program (CRP) acres to beginning, veteran or underserved farmers or ranchers through the Transition Incentives Program (TIP). TIP provides annual rental payments to the retiring farmer for up to two additional years after the CRP contract expires, provided the transition is not to a family member.

Enrollment in TIP is on a continuous basis. Beginning, veteran or underserved farmers and ranchers and retiring CRP participants may enroll in TIP beginning one year before the expiration date of the CRP contract or Aug. 15. For example, if a CRP contract is scheduled to expire on Sept. 30, 2018, the land may be offered for enrollment in TIP beginning Oct. 1, 2017, through Aug. 15, 2018. The Aug. 15 deadline allows the Natural Resources Conservation Service (NRCS) time to complete the TIP sustainable grazing or crop production conservation plans. The TIP application must be submitted prior to completing the lease or sale of the affected lands.

New landowners or renters must return the land to production using sustainable grazing or farming methods.

For more information on TIP, visit https://www.fsa.usda.gov/conservation.

Back to top

USDA Encourages Producers to Consider Risk Protection Coverage before Crop Sales Deadlines

The Farm Service Agency encourages producers to examine available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the applicable crop sales deadline.

Producers are reminded that crops not covered by insurance may be eligible for NAP. The 2014 Farm Bill expanded NAP to include higher levels of protection. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage, as well as discounted premiums for additional levels of protection."

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

Producers can determine if crops are eligible for federal crop insurance or NAP by visiting https://webapp.rma.usda.gov/apps/actuarialinformationbrowser2017/CropCriteria.aspx.

NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production, with higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price, including coverage for organics and crops marketed directly to consumers.

Deadlines for coverage vary by state and crop. To learn more about NAP visit www.fsa.usda.gov/nap or contact your local USDA Service Center. To find your local USDA Service Centers go to https://offices.usda.gov.

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at USDA's online Agent Locator: http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#. Producers can use the USDA Cost Estimator, https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx, to predict insurance premium costs.

Back to top

USDA Announces Enrollment Period for Safety Net Coverage in 2018

FSA today announced that starting Nov. 1, 2017, 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 and wheat. Upland cotton is no longer a covered commodity. 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.

Back to top

New Actively Engaged Provisions for Non-Family Joint Operations or Entities

Many Farm Service Agency programs require all program participants, either individuals or legal entities, to be "actively engaged in farming". This means participants provide a significant contribution to the farming operation, whether it is capital, land, equipment, active personal labor and/or management. For entities, each partner, stockholder or member with an ownership interest, must contribute active personal labor and/or management to the operation on a regular basis.

The 2014 Farm Bill established additional payment eligibility provisions relating to the farm management component of meeting "actively engaged in farming". These new provisions apply to joint operations comprised of non-family members or partners, stockholders or persons with an ownership in the farming operation. Effective for 2016 and subsequent crop years, non-family joint operations are afforded to one member that may use a significant contribution of active personal management exclusively to meet the requirements to be determined "actively engaged in farming". The person or member will be defined as the Farm Manager for the purposes of administering these new management provisions.

In some instances, additional persons or members of a non-family member joint operation who meet the definition of Farm Manager may also be allowed to use such a contribution of active personal management to meet the eligibility requirements. However, under no circumstances may the number of Farm Managers in a non-family joint operation exceed a total of three in any given crop and program year

Back to top

Highly Erodible Land (HEL) and Wetland Conservation Compliance

Landowners and operators are reminded that in order to receive payments from USDA, compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions are required. Farmers with HEL determined soils are reminded of tillage, crop residue, and rotation requirements as specified per their conservation plan. Producers are to notify the USDA Farm Service Agency prior to conducting land clearing or drainage projects to ensure compliance. Failure to obtain advance approval for any of these situations can result in the loss of eligibility and all Federal payments.

Back to top

Producers are Encouraged to Report Prevented Planting and Failed Acres

USDA Farm Service Agency (FSA) reminds producers to report prevented planting and failed acres in order to establish or retain FSA program eligibility for some programs.

Producers should report crop acreage they intended to plant, but due to natural disaster, were prevented from planting. Prevented planting acreage must be reported on form CCC-576, Notice of Loss, no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA).

Contact your local FSA office for a list of final planting dates by crop.

If a producer is unable to report the prevented planting acreage within the 15 calendar days following the final planting date, a late-filed report can be submitted. Late-filed reports will only be accepted if FSA conducts a farm visit to assess the eligible disaster condition that prevented the crop from being planted. A measurement service fee will be charged.

Additionally, producers with failed acres should also use form CCC-576, Notice of Loss, to report failed acres.

Producers of hand-harvested crops must notify FSA of damage or loss through the administrative County Office within 72 hours of the date of damage or loss first becomes apparent. This notification can be provided by filing a CCC-576, email, fax or phone. Producers who notify the County Office by any method other than by filing the CCC-576 are still required to file a CCC-576, Notice of Loss, within the required 15 calendar days.

For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP), producers must file a Notice of Loss within 15 days of the occurrence of the disaster or when losses become apparent. Producers must timely file a Notice of Loss for failed acres on all crops including grasses.

Back to top

2017 Crop Year Commodity Loan Deadline

Producers planning to use the commodity loan program for their 2017 crops are reminded that March 31, 2018, is the deadline for filing applications for the following 2017 crops: wheat, barley, oats, canola, crambe, flaxseed, rapeseed, sesame seed and honey. Since March 31st is a nonworkday, the loan deadline is extended to April 2, 2018.

These loans carry a nine month maturity and can be repaid with cash at disbursement to loan maturity. To be eligible, producers must have produced an eligible loan commodity during the applicable crop year, complied with annual program requirements, maintain beneficial interest (have title to the commodity and retain control of the commodity), request marketing assistance loan (MAL) on or before the final loan availability date for a specific commodity, and, if required, submit lien waivers for any liens existing on the crop for which MAL is being requested.

Producers interested in a commodity loan on the above listed commodities should contact their local county FSA office staff prior to the March 31 deadline. The 2017 crop commodity loan rates are available at any county FSA office, or online at:

http://www.fsa.usda.gov/FSA and clicking on the "Price Support" link.

Back to top

Commodity Loan Repayments

Outstanding commodity loans from crop year 2017 can be repaid at any time at principal plus interest. If the sales proceeds are needed to repay the loan, a marketing authorization (CCC-681-1) can be requested. The request can either be made in person or by telephone. The marketing authorization allows for the selection of a delivery period to the buyer of either 15 or 30 calendar days. Marketing Authorizations which are requested after loan maturity date are limited to a delivery period of 15 days. All parties who signed the note are responsible for repaying the loan. If the buyer does not repay the loan as required by the marketing authorization, CCC will make demand for repayment on the producers who signed the note. Repayment of quantities delivered to the buyer are required within 15 days of the expiration date of the marketing authorization.

Back to top

Update Your Records

FSA is cleaning up our producer record database. If you have any unreported changes of address, zip code, phone number, email address 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 update their CCC-902 Farm Operating Plan.

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

Back to top

USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning Farmers

The USDA Farm Service Agency (FSA) reminds producers that FSA offers targeted farm ownership and farm operating loans to assist underserved applicants as well as beginning farmers and ranchers.

USDA defines underserved applicants as a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. For farm loan program purposes, targeted underserved groups are women, African Americans, American Indians and Alaskan Natives, Hispanics and Asians and Pacific Islanders.

Underserved or beginning farmers and ranchers who cannot obtain commercial credit from a bank can apply for either FSA direct loans or guaranteed loans. Direct loans are made to applicants by FSA. Guaranteed loans are made by lending institutions who arrange for FSA to guarantee the loan. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. The FSA guarantee allows lenders to make agricultural credit available to producers who do not meet the lender's normal underwriting criteria.

The direct and guaranteed loan program provides for two types of loans: farm ownership loans and farm operating loans. In addition to customary farm operating and ownership loans, FSA now offers Microloans through the direct loan program. The focus of Microloans is on the financing needs of small, beginning farmer, niche and non-traditional farm operations. Microloans are available for both ownership and operating finance needs. To learn more about microloans, visit www.fsa.usda.gov/microloans.

To qualify as a beginning producer, the individual or entity must meet the eligibility requirements outlined for direct or guaranteed loans. Additionally, individuals and all entity members must have

operated a farm for less than 10 years. Applicants must materially or substantially participate in the operation.

For more information on FSA's farm loan programs and targeted underserved and beginning farmer guidelines, visit www.fsa.usda.gov/farmloans.

Back to top

Calendar Deadlines

Important Upcoming Dates and Deadlines

Now through August 1, 2018: 2018 ARC/PLC annual signup period

April 2, 2018 – Deadline to file supporting documents for 2017 Livestock Indemnity Program applications

April 2, 2018 – 2017 Marketing Assistance Loan availability deadline for barley, canola, crambe, flaxseed, honey, oats, rapeseed, wheat and sesame seed

April 15 - August 1, 2018 - Primary nesting season in North Dakota

May 28, 2018 - All USDA Service Centers will be closed in observance of Memorial Day

May 31, 2018 - Final day to obtain FSA/CCC grain loans for 2017 corn, soybeans and oilseeds

July 16, 2018 – Deadline to report your 2018 spring planted acreage

Back to top

March 2018 Loan and Interest Rates

Commodity Loans -2.875%

Operating Loans – 3.250%

Farm Ownership and Conservation Loans - 3.750%

Farm Ownership-Joint Financing – 2.500%

Emergency - Amount of Actual Loss - 3.750%

Farm Ownership-Down Payment Loans - 1.500%

Farm Storage Facility Loan, 3-Year – 2.250%

Farm Storage Facility Loan, 5-Year - 2.500%

Farm Storage Facility Loan, 7-Year - 2.750%

Farm Storage Facility Loan, 10-Year – 2.750%

Farm Storage Facility Loan, 12-Year – 2.750%

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).