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Georgia State FSA Newsletter

Georgia State Farm Service Agency

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All Georgia Counties Eligible for Emergency Loans Following Presidential Disaster Declaration

All Georgia Counties were declared a primary disaster due to Hurricane Irma. Under this designation, producers with operations in any primary or 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 disasters or quarantine.

Producers have eight months from the date of the declaration to apply for emergency loan assistance. FSA will consider each loan

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application on its own merits, taking into account the extent of losses, security available and repayment ability. Producers can borrow up to 100 percent of actual production or physical losses, to a maximum amount of $500,000.

For more information about emergency loans, please contact your local FSA office or visit www.fsa.usda.gov.

Farmers and Ranchers Affected by Hurricane Irma Granted Extra Time, Procedures, to Document and Claim Disaster Losses

USDA announced special procedures to assist producers who lost crops or livestock or had other damage to their farms or ranches as a result of hurricanes Irma. Also, because of the severe and widespread damage caused by the hurricanes, USDA will provide additional flexibility to assist farm loan borrowers.

USDA’s Farm Service Agency (FSA), is authorizing emergency procedures on a case-by-case basis to assist impacted borrowers, livestock owners, contract growers, and other producers. The measures announced apply only to counties impacted by a National Oceanic and Atmospheric Administration-determined tropical storm, typhoon, or hurricane, including Irma that have received a primary Presidential Disaster Declaration and those counties contiguous to such designated counties.

Financially stressed FSA farm loan borrowers affected by the hurricane who have received primary loan servicing applications may be eligible for 60 day extensions. Full details are available at https://go.usa.gov/xRe8V.

A more complete listing of all of the special farm program provisions is posted at https://go.usa.gov/xRe8p.

Among the actions announced are lengthened deadlines for certain provisions under the Marketing Assistance Loan (MAL) program, the Farm Storage Facility Loan Program (FSFL), and the Emergency Conservation Program (ECP), the Emergency Forest Restoration Program (EFRP), the Noninsured Crop Disaster Assistance Program (NAP), and the Tree Assistance Program (TAP). Emergency grazing may also be authorized under the Conservation Reserve Program (CRP) for up to 60 days.

In addition, the deadlines to file a loss for the Livestock Indemnity Program (LIP) and the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish (ELAP) are extended, and special provisions are provided for "acceptable proof of livestock death and inventory for livestock losses."

Farmers and ranchers affected by the hurricane are urged to keep thorough records of all losses, including livestock death losses, as well as expenses for such things as feed purchases and other extraordinary costs because of lost supplies and or increased transportation costs.

Producers with coverage through USDA's Risk Management Agency (RMA) administered federal crop insurance program should contact their crop insurance agent for issues regarding filing claims. Those who purchased crop insurance will be paid for covered losses. Producers should report crop damage within 72 hours of damage discovery and follow up in writing within 15 days. The Approved Insurance Providers (AIP), loss adjusters and agents are experienced and well trained in handling these types of events. For more information see https://www.rma.usda.gov/news/stormdisaster.html.

As part of its commitment to delivering excellent customer service, RMA is working closely with AIPs that sell and service crop insurance policies to ensure enough loss adjusters will be available to process claims in the effected areas as quickly as possible.

USDA encourages all farmers and ranchers to contact their crop insurance agents and their local FSA office, as applicable, to report damages to crops or livestock loss. To find the FSA office nearest you, please visit https://offices.sc.egov.usda.gov/locator/app. Additional resources to help farmers and ranchers deal with flooding and other damage may be found at www.usda.gov/disaster.

Dairy Producers Can Enroll for 2018 Coverage

Secretary Allows Producers to Opt Out

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) today announced that starting Sept. 1, 2017, dairy producers can enroll for 2018 coverage in the Margin Protection Program (MPP-Dairy). Secretary Sonny Perdue has utilized additional flexibility this year by providing dairy producers the option of opting out of the program for 2018.

To opt out, a producer should not sign up during the annual registration period. By opting out, a producer would not receive any MPP-Dairy benefits if payments are triggered for 2018. Full details will be included in a subsequent Federal Register Notice. The decision would be for 2018 only and is not retroactive.

The voluntary program, established by the 2014 Farm Bill, provides financial assistance to participating dairy producers when the margin – the difference between the price of milk and feed costs – falls below the coverage level selected by the producer.

MPP-Dairy gives participating dairy producers the flexibility to select coverage levels best suited for their operation. Enrollment ends on Dec. 15, 2017, for coverage in calendar year 2018. Participating farmers will remain in the program through Dec. 31, 2018, and pay a minimum $100 administrative fee for 2018 coverage. Producers have the option of selecting a different coverage level from the previous coverage year during open enrollment.

Dairy operations enrolling in the program must meet conservation compliance provisions and cannot participate in the Livestock Gross Margin Dairy Insurance Program. Producers can mail the appropriate form to the producer's administrative county FSA office, along with applicable fees, without necessitating a trip to the local FSA office. If electing higher coverage for 2018, dairy producers can either pay the premium in full at the time of enrollment or pay 100 percent of the premium by Sept. 1, 2018. Premium fees may be paid directly to FSA or producers can work with their milk handlers to remit premiums on their behalf.

USDA Reminds Producers of Nov. 1 ELAP Application Deadline

The Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) provides emergency assistance to eligible livestock, honeybee, and farm-raised fish producers who have losses due to adverse weather or other conditions, such as hurricanes, tornados, and wildfires, not covered by other agricultural disaster assistance programs.

Eligible livestock losses include grazing losses not covered under the Livestock Forage Disaster Program (LFP), or the loss of purchased feed and/or mechanically harvested feed due to an eligible adverse weather event.

Eligible honeybee losses include loss of purchased feed due to an eligible adverse weather event, cost of additional feed purchased above normal quantities due to an eligible adverse weather condition, colony losses in excess of normal mortality due to an eligible weather event or loss condition, including CCD, and hive losses due to eligible adverse weather.

Eligible farm-raised fish losses include death losses in excess of normal mortality and/or loss of purchased feed due to an eligible adverse weather event.

Producers who suffer eligible livestock, honeybee, or farm-raised fish losses from October 1, 2016 to September 30, 2017 must file:

- A notice of loss **the earlier of** 30 calendar days of when the loss occurs or by November 1, 2017
- An application for payment by November 1, 2017

The Farm Bill caps ELAP disaster funding at $20 million per federal fiscal year.

The following ELAP Fact Sheets (by topic) are available online:

- ELAP for Farm-Raised Fish Fact Sheet
- ELAP for Livestock Fact Sheet
- ELAP for Honeybees Fact Sheet

To view these and other FSA program fact sheets, visit the FSA fact sheet web page at www.fsa.usda.gov/factsheets

FSA Offers Joint Financing Option on Direct Farm Ownership Loans

The USDA Farm Service Agency's (FSA) Direct Farm Ownership loans are a resource to help farmers and ranchers become owner-operators of family farms, improve and expand current operations, increase agricultural productivity, and assist with land tenure to save farmland for future generations.

Depending on the applicant's needs, there are three types of Direct Farm Ownership Loans: regular, down payment and joint financing. FSA also offers a Direct Farm Ownership Microloan option for smaller financial needs up to $50,000.

Joint financing allows FSA to provide more farmers and ranchers with access to capital. FSA lends up to 50 percent of the total amount financed. A commercial lender, a State program or the seller of the property being purchased, provides the balance of loan funds, with or without an FSA guarantee. The maximum loan amount for a Joint Financing loan is $300,000 and the repayment period for the loan is up to 40 years.

To be eligible, the operation must be an eligible farm enterprise. Farm Ownership loan funds cannot be used to finance nonfarm enterprises and all applicants must be able to meet general eligibility requirements. Loan applicants are also required to have participated in the business operations of a farm or ranch for at least three years out of the 10 years prior to the date the application is submitted. The applicant must show documentation that their participation in the business operation of the farm or ranch was not solely as a laborer.

For more information about FSA Loan programs, contact your local FSA office or visit www.fsa.usda.gov. To find your local FSA office, visit http://offices.usda.gov.

CRP Payment Limitation

Payments and benefits received under the Conservation Reserve Program (CRP) are subject to the following:

- Payment limitation by direct attribution
- Foreign person rule
- Average adjusted gross income (AGI) limitation
- The 2014 Farm Bill continued the $50,000 maximum CRP payment amount that can be received annually, directly or indirectly, by each person or legal entity. This payment limitation includes all annual rental payments and incentive payments (Sign-up Incentive Payments and Practice Incentive Payments). Annual rental payments are attributed (earned) in the fiscal year in which program performance occurs. Sign-up Incentive Payments (SIP) are attributed (earned) based on the fiscal year in which the contract is approved, not the fiscal year the contract is effective. Practice Incentive Payments (PIP) are attributed (earned) based on the fiscal year in which the cost-share documentation is completed and the producer or technical service provider certifies performance of practice completion to the county office. Such limitation on payments is controlled by direct attribution.
- Program payments made directly or indirectly to a person are combined with the pro rata interest held in any legal entity that received payment, unless the payments to the legal entity have been reduced by the pro rata share of the person.
- Program payments made directly to a legal entity are attributed to those persons that have a direct and indirect interest in the legal entity, unless the payments to the legal entity have been reduced by the pro rata share of the person.
- Payment attribution to a legal entity is tracked through four levels of ownership. If any part of the ownership interest at the fourth level is owned by another legal entity, a reduction in payment will be applied to the payment entity in the amount that represents the indirect interest of the fourth level entity in the payment entity. Essentially, all payments will be "attributed" to a person's Social Security Number. Given the current CRP annual rental

rates in many areas, it is important producers are aware of how CRP offered acreages impact their $50,000 annual payment limitation. Producers should contact their local FSA office for additional information. NOTE: The information in the above article only applies to contracts subject to 4-PL and 5-PL regulations. It does not apply to contracts subject to 1-PL regulations.

Payments to Deceased Producers

In order to claim a Farm Service Agency (FSA) payment on behalf of a deceased producer, all program conditions for the payment must have been met before the applicable producer's date of death.

If a producer earned a FSA payment prior to becoming deceased, the following is the order of precedence of the representatives of the producer:

- Administrator or executor of the estate
- The surviving spouse
- Surviving sons and daughters, including adopted children
- Surviving father and mother
- Surviving brothers and sisters
- Heirs of the deceased person who would be entitled to payment according to the State law

In order for FSA to release the payment, the legal representative of the deceased producer must file a form FSA-325, to claim the payment for themselves or an estate. The county office will verify and determine that the application, contract, loan agreement, or other similar form requesting payment issuance, was signed by the applicable deadline for such form, by the deceased or a person legally authorized to act on their behalf at that time of application.

If the application, contract or loan agreement form was signed by someone other than the participant who is deceased, FSA will determine whether the person submitting the form has the legal authority to submit the form to compel FSA to pay the deceased participant.

Payments will be issued to the respective representative's name using the deceased program participant's tax identification number. Payments made to representatives are subject to offset regulations for debts owed by the deceased.

FSA is not responsible for advising persons in obtaining legal advice on how to obtain program benefits that may be due to a participant who has died, disappeared or who has been declared incompetent.

Marketing Assistance Available for all 2017 Crop Year Commodities in Georgia

The 2014 Farm Bill authorized 2014-2018 crop year Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs).

MALs and LDPs provide financing and marketing assistance for barley, corn, wheat, oats, grain sorghum, soybeans and other oilseeds, pulse crops, rice, peanuts, cotton, wool and honey. MALs provide producers interim financing after harvest to help them meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows.

A producer who is eligible to obtain an MAL, but agrees to forgo the loan, may obtain an LDP if such a payment is available.

To be eligible for an MAL or an LDP, producers must have a beneficial interest in the commodity, in addition to other requirements. A producer retains beneficial interest when control of and title to the commodity is maintained. For an LDP, the producer must retain beneficial interest in the commodity from the time of planting through the date the producer filed Form CCC-633EZ (page 1) in the FSA County Office. For more information, producers should contact their local FSA county office or view the LDP Fact Sheet.

Upcoming Acreage Reporting Dates

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

The following acreage reporting dates are applicable for the entire state of Georgia:

November 15, 2017 — Apiculture, PRF and Perennial Forage (Grass) with intended use of forage or grazing. **NOTE:** This is deadline **for 2018** acreage reporting purposes**.**

Onions (Planted 9/20-10/20)

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 FSA office.

Disaster Set-Aside (DSA) Program

FSA borrowers with farms located in designated primary or contiguous disaster areas who are unable to make their scheduled FSA loan payments should consider the Disaster Set-Aside (DSA) program.

DSA is available to producers who suffered losses as a result of a natural disaster and is intended to relieve immediate and temporary financial stress. FSA is authorized to consider setting aside the portion of a payment/s needed for the operation to continue on a viable scale.

Borrowers must have at least two years left on the term of their loan in order to qualify.

Borrowers have eight months from the date of the disaster designation to submit a complete application. The application must include a written request for DSA signed by all parties liable for the debt along with production records and financial history for the operating year in which the disaster occurred. FSA may request additional information from the borrower in order to determine eligibility.

All farm loans must be current or less than 90 days past due at the time the DSA application is complete. Borrowers may not set aside more than one installment on each loan.

The amount set-aside, including interest accrued on the principal portion of the set-aside, is due on or before the final due date of the loan.

For more information, contact your local FSA farm loan office.

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