#### August 2018





### Farm Service Agency Electronic News Service

## NEWSLETTER

### GovDelivery

- Deadline Approaches for Continuous Conservation Reserve Program Enrollment
- USDA Opens Election Period for Seed Cotton Program
- Nearly \$2 Billion Now Available for Eligible Producers Affected by 2017 Hurricanes and Wildfires
- <u>USDA Encourages Producers to Consider NAP Risk Protection Coverage before Crop Sales Deadlines</u>
- USDA Commodity Loans Available to Producers
- 2018 Acreage Reporting Dates
- Livestock Losses
- Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP)
- USDA Microloans Help Farmers Purchase Farmland and Improve Property
- <u>USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning</u> Farmers
- Organic Certification Cost Share Program
- Nondiscrimination Statement

### **Georgia State FSA Newsletter**

### Georgia State Farm Service Agency

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**State Executive Director:** Tas Smith

#### Deadline Approaches for Continuous Conservation Reserve Program Enrollment

Producers Must File by August 17, One-Year Extension Available to Holders of Many Expiring Contracts

The deadline to sign up for enrollment in the Conservation Reserve Program (CRP) is Friday, Aug. 17, 2018.

In return for enrolling land in CRP, FSA provides participants with annual rental payments and cost-share assistance to remove sensitive lands from production and plant certain grasses, shrubs **State Committee:** 

Kevin Cobb L.G. (Bo) Herndon, Jr. Meredith McNair Rogers Donnie Smith

Administrative Officer:
Dianne R. Westmoreland

Farm Loan Chief: Robert Tyson

Farm Programs Chief: Brett Martin

Public Affairs/Outreach: Neal Leonard

To find contact information for your local office go to www.fsa.usda.gov/ga and trees that improve water quality, prevent soil erosion and increase wildlife habitat. Landowners enter into contracts that last between 10 and 15 years.

For this year's signup, limited priority practices are available for continuous enrollment. These include grassed waterways, filter strips, riparian buffers, wetland restoration and others. <u>View a full list of practices.</u>

FSA will use <u>updated soil rental rates</u> to make annual rental payments, reflecting current values. It will not offer incentive payments as part of the new signup.

USDA will not open a general signup this year, however, a oneyear extension will be offered to existing CRP participants with expiring CRP contracts of 14 years or less.

Additionally, FSA established new <u>ranking criteria</u> for CRP grasslands. To guarantee all CRP grasslands offers are treated equally, applicants who previously applied (prior to the current signup period) will be asked to reapply using the new ranking criteria.

Producers wanting to apply for the CRP continuous signup or CRP grasslands should contact their USDA Service Center. To locate your local FSA office, visit <a href="https://www.farmers.gov">https://www.farmers.gov</a>. More information on CRP can be found at <a href="https://www.fsa.usda.gov/crp">www.fsa.usda.gov/crp</a>.

### **USDA Opens Election Period for Seed Cotton Program**

The U.S. Department of Agriculture (USDA) announced that seed cotton producers, who want to participate in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2018 crop year, may now submit applications. The signup period begins today and ends on Dec. 7, 2018.

In accordance with changes to ARC and PLC made by the Bipartisan Budget Act of 2018, farm owners with generic base acres and recent planting history of covered commodities have a one-time opportunity to allocate all of the generic base acres on their farm.

Farms with generic base acres that were planted or approved as a prevented planted commodity during the 2009 through 2016 crop years, are eligible to allocate generic base acres. This includes upland cotton.

Producers have two options to allocate generic base:

**Option 1**: Allocate generic base acres on a farm to seed cotton base acres equal to the higher of the following:

- 80 percent of the generic base acres on the farm
- the remaining 20 percent goes to unassigned base acres for which there will be no payments

 The average of planted and prevented from planted upland cotton acres on the farm in crop years 2009 through 2012, not to exceed the total generic base acres on the farm.

**Option 2**: Allocate generic base acres in proportion to the 4-year average acreage planted on the farm and prevented from being planted for each covered commodity, including upland cotton, in crop years 2009 through 2012, to the total acreage planted and considered planted for all covered commodities on the farm.

An increase in total base acres on the farm is not allowed. For farms without planted or considered planted history of covered commodities, including upland cotton, during the 2009 through 2016 crop years, all generic base acres shall be converted to unassigned generic base acres for which no benefits may be available.

If a farm owner is unable to allocate generic base acres during the allocation period, the generic base acres will be deemed to be allocated to seed cotton base under the provisions in Option 1.

FSA posted a notice on July 27.

Current farm owner(s) have a one-time opportunity to update the farm's payment yield for seed cotton with either retaining the Counter-Cyclical (CC) payment yield for upland cotton, as listed on the farm record as of Sept. 3, 2013, multiplied by 2.4, or update the upland cotton yield to 90 percent of a simple average of the upland cotton yield per planted acre on the farm for years 2008 through 2012. The retained or updated yield becomes the PLC yield for the farm, effective for the 2018 crop year, and will only be used in calculating payment rates for the PLC program. If a request to update yields is not filed within the yield update period, the former CC yield on the farm multiplied by 2.4 will be carried forward as the farm's PLC yield for the 2018 crop year. If the generic base acre allocation results in crop base acres for a covered commodity base where a PLC yield does not exist on the farm, then an owner may update the yield(s) for the new crop(s).

Following the generic base acre allocation and yield update, the current producer(s) on the farm will have a one-time opportunity to unanimously elect either ARC or PLC for the seed cotton base acres resulting from the generic base acre allocation. Farms with an ARC-IC election will continue in ARC-IC, which would include any seed cotton base acres allocated to the farm. Any farm that fails to make an unanimous election will be deemed to have elected PLC for acres allocated on the farm to seed cotton.

The final step in the process is enrolling the farm in ARC/PLC for 2018. After completing the aforementioned steps, producers on farms must still enroll the farm for that farm to be eligible for ARC and PLC for 2018. Enrollment of ARC and PLC farms, consistent with the program election for the farm and covered commodities made in the election period, for the 2018 crop year, began Nov. 1, 2017 and will end on Dec. 7, 2018.

Visit <u>www.fsa.usda.gov</u> or the local FSA office for information about FSA and the 2014 Farm Bill programs and programs impacted by the Bipartisan Budget Act of 2018.

## Nearly \$2 Billion Now Available for Eligible Producers Affected by 2017 Hurricanes and Wildfires

Agricultural producers affected by hurricanes and wildfires in 2017 now may apply for assistance to help recover and rebuild their farming operations. Signup started on July 16, 2018, and continues through Nov. 16, 2018.

Hurricanes and wildfires caused billions of dollars in losses to America's farmers last year. Our objective is to get relief funds into the hands of eligible producers as quickly as possible. We are making immediate, initial payments of up to 50 percent of the calculated assistance so producers can pay their bills.

Additional payments will be issued, if funds remain available, later in the year.

The program, known as the 2017 Wildfires and Hurricanes Indemnity Program (2017 WHIP) was authorized by Congress earlier this year by the Bipartisan Budget Act of 2018.

Eligible crops, trees, bushes, or vines, located in a county declared in a Presidential Emergency Disaster Declaration or Secretarial Disaster Designation as a primary county are eligible for assistance if the producer suffered a loss as a result of a 2017 hurricane. Also, losses located in a county not designated as a primary county may be eligible if the producer provides documentation showing that the loss was due to a hurricane or wildfire in 2017. A list of counties that received qualifying hurricane declarations and designations is available at <a href="https://www.fsa.usda.gov/programs-and-services/disaster-assistance-program/wildfires-and-hurricanes-indemnity-program/index">https://www.fsa.usda.gov/programs-and-services/disaster-assistance-program/wildfires-and-hurricanes-indemnity-program/index</a>. Eligibility is determined by Farm Service Agency (FSA) county committees.

Agricultural production losses due to conditions caused by last year's wildfires and hurricanes, including excessive rain, high winds, flooding, mudslides, fire, and heavy smoke, could qualify for assistance through the program. Typically, 2017 WHIP is only designed to provide assistance for production losses, however, if quality was taken into consideration under the insurance or Noninsured Crop Disaster Assistance Program (NAP) policy, where production was further adjusted, the adjusted production will be used in calculating assistance under this program.

Eligible crops include those for which federal crop insurance or NAP coverage is available, excluding crops intended for grazing. A list of crops covered by crop insurance is available through the U.S. Department of Agriculture's (USDA) Actuarial Information Browser at

https://webapp.rma.usda.gov/apps/actuarialinformationbrowser.

Eligibility will be determined for each producer based on the size of the loss and the level of insurance coverage elected by the producer. A WHIP factor will be determined for each crop based on the producer's coverage level. Producers who elected higher coverage levels will receive a higher WHIP factor.

The 2017 WHIP payment factor ranges from 65 percent to 95 percent, depending upon the level of crop insurance coverage or NAP coverage that a producer obtained for the crop. Producers who did not insure their crops in 2017 will receive 65 percent of the expected value of the crop. Insured producers will receive between 70 percent and 95 percent of expected value; those who purchased the highest levels of coverage will receive 95-percent coverage.

Each eligible producer requesting 2017 WHIP benefits will be subject to a payment limitation of either \$125,000 or \$900,000, depending upon their average adjusted gross income, which will be verified. The payment limit is \$125,000 if less than 75 percent of the person or legal entity's average

adjusted gross income is average adjusted gross farm income. The payment limit is \$900,000, if 75 percent or more of the average adjusted gross income of the person or legal entity is average adjusted gross farm income.

Both insured and uninsured producers are eligible to apply for 2017 WHIP. However, all producers receiving 2017 WHIP payments will be required to purchase crop insurance and/or NAP, at the 60 percent coverage level or higher, for the next two available crop years to meet statutory requirements. Producers who fail to purchase crop insurance for the next two applicable years will be required to pay back the 2017 WHIP payment.

To help expedite payments, a producer who does not have records established at the <u>local USDA</u> <u>service center</u> are encouraged to do so early in the process. To establish a record for a farm, a producer needs:

- Proof of identity: driver's license and Social Security number/card;
- Copy of recorder deed, survey plat, rental, or lease agreement of the land. A producer does not have to own property to participate in FSA programs;
- Corporation, estate, or trust documents, if applicable

Once signup begins, a producer will be asked to provide verifiable and reliable production records. If a producer is unable to provide production records, USDA will calculate the yield based on the county average yield. A producer with this information on file does not need to provide the information again.

For more information on FSA disaster assistance programs, please contact your local USDA Service Center or visit https://www.farmers.gov/recover/whip.

# **USDA Encourages Producers to Consider NAP 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. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage.

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, irrigated fruits, irrigated 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 <a href="https://webapp.rma.usda.gov/apps/ActuarialInformationBrowser2018/CropCriteria.aspx">https://webapp.rma.usda.gov/apps/ActuarialInformationBrowser2018/CropCriteria.aspx</a>.

NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

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

Deadline	Crops
8/15	Canberries, Carrots, Rye, Strawberries
9/30	Barley, Oats, Wheat, Canola
11/15	.Hay & Grazing

Deedline

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: <a href="http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#">http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#</a>. Producers can use the USDA Cost Estimator, <a href="https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx">https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx</a>, to predict insurance premium costs.

#### **USDA Commodity Loans Available to Producers**

U.S. Department of Agriculture (USDA) Farm Service Agency reminds producers that Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs) are available to help producers through periods of low market prices. The 2014 Farm Bill authorized MALs and LDPs for the 2014 to 2018 crop years.

MALs provide interim financing and allow producers to delay the sale of the commodity at harvesttime lows and wait until more favorable market conditions emerge. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available.

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, soybeans and other oilseeds, pulse crops, rice, peanuts, cotton, wool and honey.

Georgia FSA offices are now accepting requests for 2018 MALs and LDPs for all eligible commodities after harvest.

Before MAL repayments and LDP disbursements can be made, producers must meet the requirements of actively engaged in farming, cash-rent tenant and member contribution.

In order to meet eligibility requirements, producers must retain beneficial interest in the commodity, meaning they have control of the commodity or a title to the commodity, until the MAL is repaid or the Commodity Credit Corporation takes title to the commodity.

The 2014 Farm Bill also establishes payment limitations per individual or entity not to exceed \$125,000 annually on certain commodities for the following program benefits: Agriculture Risk Coverage and Price Loss Coverage payments, Marketing Loan Gains and LDPs. These payment limitations do not apply to MAL disbursements.

Producers or legal entities whose total applicable three-year average adjusted gross income exceeds \$900,000 are not eligible for Marketing Loan Gains and LDPs, but are eligible for MALs repaid at principal plus interest.

For more information, please visit your local FSA office or <a href="www.fsa.usda.gov">www.fsa.usda.gov</a>. To find your local USDA Service Center, visit <a href="www.farmers.gov">www.farmers.gov</a>.

#### 2018 Acreage Reporting Dates

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

The following acreage reporting dates are applicable for Georgia:

August 15, 2018 . . . . . . . . . Tomatoes (Planted 7/1-8/15)

September 15, 2018 . . . . . . Sweet Corn (Planted 7/15-8/25)

October 15, 2018 . . . . . . . . . . . . . Cabbage (Planted 7/16-9/30)

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 calendar 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 15.

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 the local County FSA Office.

#### **Livestock Losses**

The Livestock Indemnity Program (LIP) provides assistance to eligible producers for livestock deaths in excess of normal mortality caused by adverse weather, disease 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 disease losses, FSA county committees can accept veterinarian certifications that livestock deaths were directly related to adverse weather and unpreventable through good animal husbandry and management.

Due to an amendment in the Bipartisan Budget Act (BBA), for 2017, 2018 and subsequent livestock losses, eligible livestock owners must file a notice of loss by the later of:

- 30 calendar days of when the loss is first apparent; or
- 60 days after the regulations governing LIP, including BBA provisions, are published in the Federal Register.

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% and Non-Adult Beef Cattle (less than 400 pounds) = 4%. These established percentages reflect losses that are considered expected or typical under "normal" conditions.

In addition to filing a notice of loss, producers must also submit 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.

# **Emergency Assistance for Livestock, Honeybees, and Farm- Raised Fish Program (ELAP)**

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 disease, adverse weather or other conditions, such as blizzards 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), loss of purchased feed and/or mechanically harvested feed due to an eligible adverse weather event, additional cost of transporting water because of an eligible drought and additional cost associated with gathering livestock to treat for cattle tick fever.

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 Oct. 1, 2017 to Sept. 30, 2018 must file:

- A notice of loss the earlier of 30 calendar days of when the loss is apparent or by Nov. 1, 2018
- An application for payment by Nov. 1, 2018

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.

## **USDA Microloans Help Farmers Purchase Farmland and Improve Property**

Producers, Including Beginning and Underserved Farmers, Have a New Option to Gain Access to Land

The U.S. Department of Agriculture (USDA) is offering farm ownership microloans, creating a new financing avenue for farmers to buy and improve property. These microloans are especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations.

The microloan program has been hugely successful, providing more than 16,800 low-interest loans, totaling over \$373 million to producers across the country. Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013. Seventy percent of loans have gone to new farmers.

Now, microloans will be available to also help with farm land and building purchases, and soil and water conservation improvements. FSA designed the expanded program to simplify the application process, expand eligibility requirements and expedite smaller real estate loans to help farmers strengthen their operations. Microloans provide up to \$50,000 to qualified producers, and can be issued to the applicant directly from the USDA Farm Service Agency (FSA).

To learn more about the FSA microloan program visit <a href="www.fsa.usda.gov/microloans">www.fsa.usda.gov/microloans</a>, or contact your local FSA office.

# **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 <a href="https://www.fsa.usda.gov/microloans">www.fsa.usda.gov/microloans</a>.

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.

### **Organic Certification Cost Share Program**

The Organic Certification Cost Share Program (OCCSP) provides cost share assistance to producers and handlers of agricultural products who are obtaining or renewing their certification under the National Organic Program (NOP). Certified operations may receive up to 75 percent of their certification costs paid from Oct. 1, 2017, through Sept. 30, 2018, not to exceed \$750 per certification scope.

Eligible costs include application fees, inspection costs, fees related to equivalency agreement/arrangement requirements, travel/per diem for inspectors, user fees, sales assessments and postage.

Ineligible costs include equipment, materials, supplies, transitional certification fees, late fees and inspections necessary to address National Organic Program regulatory violations.

Producers and handlers may submit OCCSP applications to FSA county offices or they may apply through participating State Agencies, which will be listed at <a href="https://www.fsa.usda.gov/programs-and-services/occsp/index">https://www.fsa.usda.gov/programs-and-services/occsp/index</a> as their agreements to administer the program are finalized.

The FSA OCCSP application form is available at <u>USDA's eForms site</u>, by selecting "Browse forms" and entering "OCCSP" in the "title or keywords" field on the search page.

To learn more about organic certification cost share, visit <a href="www.fsa.usda.gov/organic">www.fsa.usda.gov/organic</a> or contact a local FSA office by visiting <a href="http://offices.usda.gov">http://offices.usda.gov</a>.

#### **Nondiscrimination Statement**

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider, employer and lender.

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).