#### **April 2014**



## **Topics for April**

- SAVE TIME MAKE AN APPOINTMENT WITH FSA
- USDA'S FARM SERVICE AGENCY (FSA) OFFERS FARM BILL WEBSITE AND ONLINE OVERVIEW OF FARM BILL PROGRAMS
- ENROLLMENT BEGINS APRIL 15 FOR LIVESTOCK DISASTER ASSISTANCE PROGRAMS
- NEW FARM BILL OFFERS INCREASED OPPORTUNITIES FOR PRODUCERS
- USDA PREPARES TO ACCEPT MAL AND LDP REQUESTS; SETS 2014 MAL LOAN RATES
- USDA ANNOUNCES THE EXTENSION OF THE MILK INCOME LOSS CONTRACT PROGRAM FOR 2014
- DAIRY INDEMNITY PAYMENT PROGRAM
- 2014 ACREAGE REPORTING DATES
- USDA SETS DATE FOR SOYBEAN REQUEST FOR REFERENDUM

## **Alabama FSA State Updates**

## Alabama FSA State Office

4121 Carmichael Rd., Suite 600 Montgomery, AL 36106

Phone: 334-279-3500 Fax: 855-747-0599

#### **State Executive Director:**

**Daniel Robinson** 

#### **State Committee Members:**

Dr. Walter Hill, Chairperson Laura Elliott, Member Danny Ellison, Member George Hodge, Member Fred Hughes, Member

Next State Committee Meeting: May 6-7, 2014

# SAVE TIME – MAKE AN APPOINTMENT WITH FSA

As we roll out the Farm Bill programs administered by FSA, there will be related sign-ups and in some cases multiple management decisions that need to be made by you, the producer, in consult with FSA staff. To insure maximum use of your time and to insure that you are afforded our full attention to your important business needs, please call our office ahead of your visit to set an appointment and to discuss any records or documentation that you may need to have with you when you arrive for your appointment. For local FSA Service Center contact information, please visit: <a href="http://offices.sc.egov.usda.gov/locator/app">http://offices.sc.egov.usda.gov/locator/app</a>.

# USDA'S FARM SERVICE AGENCY (FSA) OFFERS FARM BILL WEBSITE AND ONLINE OVERVIEW OF FARM BILL PROGRAMS

The Agricultural Act of 2014 (the Act), also known as the 2014 Farm Bill, was signed by President Obama on Feb. 7, 2014. The Act repeals certain programs, continues some programs with modifications, and authorizes

several new programs administered by the Farm Service Agency (FSA). Most of these programs are authorized and funded through 2018.

For the latest on 2014 Farm Bill programs administered by FSA, please visit our Farm Bill website at <a href="www.fsa.usda.gov/farmbill">www.fsa.usda.gov/farmbill</a> and for an FSA program overview please read, download and/or print our recently posted FSA Farm Bill Fact Sheet titled, <a href="What's in the 2014 Farm Bill">What's in the 2014 Farm Bill for Farm Service Agency Customers?</a>

For more information on FSA, please contact your local USDA Service Center or visit us online at www.fsa.usda.gov.

# ENROLLMENT BEGINS APRIL 15 FOR LIVESTOCK DISASTER ASSISTANCE PROGRAMS

Farmers and ranchers can sign-up for disaster assistance programs for livestock, honeybee, and farm-raised fish beginning Tuesday, April 15, 2014.

The 2014 Farm Bill, formally known as the Agricultural Act of 2014, makes the Livestock Forage Program (LFP) and Livestock Indemnity Program (LIP) permanent programs and provides retroactive authority to cover eligible losses back to Oct. 1, 2011. The Livestock Indemnity Program (LIP) and the Livestock Forage Disaster Program (LFP) will provide payments to eligible producers for livestock deaths and grazing losses that have occurred since the expiration of the livestock disaster assistance programs in 2011, and including calendar years 2012, 2013, and 2014.

Enrollment also begins on April 15 for producers with losses covered by the Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) and the Tree Assistance Program (TAP) in 2011, when the programs expired, through 2014.

ELAP provides emergency assistance to eligible producers of livestock, honeybees and farm-raised fish that have losses due to disease, adverse weather, or other conditions, such as wildfires. TAP provides financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes and vines damaged by natural disasters. LIP provides compensation to eligible livestock producers that have suffered 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. LFP provides compensation to eligible livestock producers that have suffered grazing losses due to drought or fire.

To expedite applications, all producers who experienced losses are encouraged to bring records documenting those losses to their local FSA county office. Producers also are encouraged to contact their county office ahead of time to schedule an appointment.

For more information, producers are encouraged to review the <u>2014 Farm Bill Fact Sheet</u>, check out the LIP, LFP, ELAP and TAP fact sheets online or visit any USDA Service Center.

# NEW FARM BILL OFFERS INCREASED OPPORTUNITIES FOR PRODUCERS

The 2014 Farm Bill offers increased opportunities for producers including farm loan program modifications that create flexibility for new and existing farmers. A fact sheet outlining modifications to the U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) Farm Loan Programs is available <a href="here">here</a>.

The Farm Bill expands lending opportunities for thousands of farmers and ranchers to begin and continue operations, including greater flexibility in determining eligibility, raising loan limits, and emphasizing beginning and socially disadvantaged producers.

Changes that will take effect immediately include:

- Elimination of loan term limits for guaranteed operating loans.
- Modification of the definition of beginning farmer, using the average farm size for the county as a
  qualifier instead of the median farm size.
- Modification of the Joint Financing Direct Farm Ownership Interest Rate to 2 percent less than regular Direct Farm Ownership rate, with a floor of 2.5 percent. Previously, the rate was established at 5 percent.
- Increase of the maximum loan amount for Direct Farm Ownership down payments from \$225,000 to \$300,000.
- Elimination of rural residency requirement for Youth Loans, allowing urban youth to benefit.
- Debt forgiveness on Youth Loans, which will not prevent borrowers from obtaining additional loans from the federal government.
- Increase of the guarantee amount on Conservation Loans from 75 to 80 percent and 90 percent for socially disadvantaged borrowers and beginning farmers.
- Microloans will not count toward loan term limits for veterans and beginning farmers.

Additional modifications must be implemented through the rulemaking processes. Visit the <u>FSA Farm Bill website</u> for detailed information and updates to farm loan programs.

### USDA PREPARES TO ACCEPT MAL AND LDP REQUESTS; SETS 2014 MAL LOAN RATES

The USDA Farm Service Agency (FSA) will begin accepting requests for marketing assistance loans (MALs) and loan deficiency payments (LDPs) for eligible 2014 commodities.

MALs and LDPs for the 2014 crop year become available to eligible producers beginning with harvest/shearing season and extending through a specific commodity's final loan availability date. Sugar commodity loans for the 2014 crop will be available to sugar processors beginning Oct. 1, 2014.

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, rice, peanuts, cotton, wool, mohair 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 a loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available. Marketing loan provisions and LDPs are not available for sugar and extra-long staple cotton.

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: price loss coverage payments, agriculture risk coverage payments, marketing loan gains (MLGs) and LDPs. These payment limitations do not apply to MAL loan disbursements.

Adjusted Gross Income (AGI) provisions were modified by the 2014 Farm Bill, which states that a producer whose total applicable three-year average AGI exceeds \$900,000 is not eligible to receive an MLG or LDP.

National and county loans rates for 2014 crops are posted on the FSA website at: <a href="https://www.fsa.usda.gov/pricesupport">www.fsa.usda.gov/pricesupport</a>.

# USDA ANNOUNCES THE EXTENSION OF THE MILK INCOME LOSS CONTRACT PROGRAM FOR 2014

The USDA Farm Service Agency (FSA) recently announced the extension of the Milk Income Loss Contract (MILC) program which protects dairy farmers against income loss through Sept. 1, 2014, or until a new Margin Protection Program for dairy producers (MPP) is operational. Contracts for eligible producers enrolled in MILC on or before Sept. 30, 2013, are automatically extended until the termination date of the MILC program. Dairy operations with approved MILC contracts will continue to receive monthly payments if a payment rate is in effect.

MILC compensates enrolled dairy producers when the Boston Class I milk price falls below \$16.94 per hundredweight (cwt), after adjustment for the cost of dairy feed rations. MILC payments are calculated each month using the latest milk price and feed cost, just as in the 2008 Farm Bill. The payment rate for October 2013 through January 2014 marketings is zero. Payment rates during the months after January 2014 until the termination of the MILC program will be determined as the appropriate data becomes available.

Producers who want to select a different production start month must visit their local FSA office between April 14, 2014, and May 30, 2014.

FSA will provide producers with information on program requirements, updates and sign-ups as the information becomes available.

#### DAIRY INDEMNITY PAYMENT PROGRAM

The 2014 Farm Bill authorized the extension of the Dairy Indemnity Payment Program (DIPP) through September 30, 2018. DIPP provides payments to dairy producers and manufacturers of dairy products when they are directed to remove their raw milk or products from the market because of contamination.

#### 2014 ACREAGE REPORTING DATES

In order to comply with FSA program eligibility requirements, all producers are encouraged to visit their local County FSA office to file an accurate crop certification report by the applicable deadline. The following 2014 acreage reporting dates are applicable for Alabama:

November, 15, 2013: Apiculture, PRF/Perennial Forage, Onions

January 15, 2014: Blueberries, Canola, Rapeseed, Fall Oats, Peaches, Fall Wheat

March 15, 2014: Pecans, Potatoes (planted 1/1-3/1)

May 15, 2014: Sweet Corn, Potatoes (planted 3/2-4/15), Tobacco, Tomatoes

July 15, 2014: All other crops

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 County FSA office.

# USDA SETS DATE FOR SOYBEAN REQUEST FOR REFERENDUM

USDA will offer soybean producers the opportunity to request a referendum on the Soybean Promotion and Research Order (Order), as authorized under the Soybean Promotion, Research, and Consumer Information Act (Act).

Soybean producers who are interested in having a referendum to determine whether to continue the Soybean Checkoff Program are invited to participate. To be eligible to participate, producers must certify and provide documentation that shows that they produced soybeans and paid an assessment on the soybeans during the period of Jan. 1, 2012, through Dec. 31, 2013.

Producers may obtain a form by mail, fax, or in person from FSA county offices starting on May 5, 2014 through May 30, 2014. Forms are also available on the <u>AMS website</u>. Producers who don't participate in FSA programs can still request a referendum at the FSA county office where they own or rent land.

Completed forms and supporting documentation must be returned to the appropriate FSA county office by fax or in person no later than close of business May 30, 2014. If returned by mail, it must be postmarked by midnight May 30, 2014, and received in the office by close of business on June 5, 2014.

Notice of the Request for Referendum will be published in the March 4, 2014, Federal Register. For more information, visit the <u>AMS website</u> or contact James Brow, Research and Promotions Branch; Livestock, Poultry and Seed Program, AMS, USDA; STOP 0251 - Room 2610-S; 1400 Independence Avenue, SW; Washington, D.C. 20250-0251; tel. (202) 720-0633.

USDA is an equal opportunity provider and employer. 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).