#### August 2014



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- Cotton Transition Assistance Program Signup Ends October 7, 2014
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## **Fresno County FSA Updates**

Fresno County FSA Office Location:	Cotton Transition Assistance Program Signup Ends October 7, 2014
	The Agricultural Act of 2014 (Pub. L. 113-79): (Farm Bill)
4625 W Jennifer # 109 Fresno, CA 93722	Repealed the 2008 Farm Bill and ended direct payments
<b>Phone</b> : 559-276-7494 ext. 2 <b>Fax</b> : 559-276-1791	Removed upland cotton as a covered commodity
	• Authorized the Cotton Transition Assistance Program (CTAP)
Farm Loan Manager: LaVon Treasure	due to delayed implementation of Stacked Income Protection Plan of Insurance (STAX).
Farm Loan Officer: Chantal Haun	As a result of this legislation, Fresno County producers who have farms with cotton base are eligible to apply for the CTAP program for 2014. Signup begins today and will end on October 7, 2014. To
Farm Loan Technician:	qualify, the farm must have cotton base and a completed 2014 crop

#### Phoua Yang

Chief Program Technician: Nangpay Vang

Farm Program Technicians:

Wanda Medina Chris San Nicolas Annie Lee Valarie Garcia Lyanne Mendoza Jeff Sledd certification. In addition, producers must meet the current Adjusted Gross Income Requirement and be considered "actively engaged in farming". For this program only, there are no prohibitions on growing fruits, nuts or vegetables on base acres. This means that farms with cotton base that are currently planted to fruits, nuts or vegetables may be eligible to participate in this program. CTAP payments will be reduced by 7.3 percent as required by The Budget Control Act of 2011. Other eligibility requirements may apply. Please contact Annie Lee at (559) 276-7494 ext. 2 to schedule your appointment.

## Next County Committee Meeting:

Thursday, August 14, 9AM

County Execitive Director: Russ Friend

#### **Margin Protection Program for Dairy Producers**

The 2014 Farm Bill authorized the Margin Protection Program (MPP-Dairy) for dairy producers. The new, voluntary risk management program replaces the Milk Income Loss Contract (MILC) program which expires on Sept. 30, 2014.

MPP-Dairy offers protection to dairy producers when the difference (the margin) between the all-milk price and national average feed cost falls below a certain producer selected amount.

Eligible producers may purchase coverage for their dairy operation by paying an annual administrative fee of \$100 and a premium, as applicable, for higher levels of coverage. Producers in the dairy operation will have to select a desired coverage level ranging from \$4.00 to \$8.00, in \$0.50 increments and a desired coverage percentage level ranging from 25 to 90 percent, in 5 percent increments. Producers will also have to decide whether or not to participate in the MPP-Dairy Program or the Livestock Gross Margin program administered by the Risk Management Agency (RMA), but they will not be allowed to participate in both.

A decision tool will be made available in the fall of 2014 to help producers make coverage level decisions. Enrollment will also begin this fall. Dairy operators will establish their production history during signup. **Verification of the production records will be required.** The regulations for MPP-dairy are still being developed. Additional information will be provided as it becomes available.

## USDA Reminds Farmers of 2014 Farm Bill Conservation Compliance Changes

Changes mandated through the 2014 Farm Bill require producers to have a Highly Erodible Land Conservation and Wetland Conservation Certification (AD-1026) on file.

For farmers to be eligible for premium support on their federal crop insurance, a completed and signed AD-1026 form must be on file with the FSA. Since many FSA and Natural Resource Conservation (NRCS) programs have this requirement, most producers should already have an AD-1026 on file. If producers have not filed, they must do so by June 1, 2015.

When a farmer completes the AD-1026, FSA and NRCS staff will outline any additional actions that may be required for compliance with the provisions. The Risk Management Agency, through the Federal Crop Insurance Corporation (FCIC), manages the federal crop insurance program that provides the modern farm safety net for American farmers and ranchers.

Since enactment of the 1985 Farm Bill, eligibility for most commodity, disaster, and conservation programs has been linked to compliance with the highly erodible land conservation and wetland conservation provisions. The 2014 Farm Bill continues the requirement that producers adhere to conservation compliance guidelines to be eligible for most programs administered by FSA and NRCS. This includes the new price and revenue protection programs, the Conservation Reserve Program, the Livestock Disaster Assistance programs and Marketing Assistance Loans implemented by FSA. It also includes the Environmental Quality Incentives Program, the Conservation Stewardship Program, and other conservation programs.

FSA recently released a revised form AD-1026, which is available at USDA Service Centers and online at: <u>www.fsa.usda.gov</u>. USDA will publish a rule later this year that will provide details outlining the connection of conservation compliance with crop insurance premium support. Producers can also contact the Fresno Coounty FSA office for more information.

# 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 <u>www.fsa.usda.gov/farmbill</u> and for an FSA program overview please read, download and/or print our recently posted FSA Farm Bill Fact Sheet titled, <u>What's in the 2014 Farm Bill for Farm Service</u>

#### Agency Customers?

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

#### 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 <u>here</u>.

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 the 15 year term limit 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 Payment Loan Program 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 guaranteed percentage on Conservation Loans from 75 to 80 percent and 90 percent for socially disadvantaged borrowers and beginning farmers.

• Microloans will not count toward direct operating loan term limits for veterans and beginning farmers.

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

## **USDA Announces New Support for Beginning Farmers and Ranchers**

Department Implementing New Farm Bill Programs, Unveiling New Centralized Online Resource to Support Next Generation of Farmers

USDA has announced the implementation of new Farm Bill measures and other policy changes to improve the financial security of new and beginning farmers and ranchers. USDA also unveiled <u>www.USDA.gov/newfarmers</u>, a new website that will provide a centralized, one-stop resource where beginning farmers and ranchers can explore the variety of USDA initiatives designed to help them succeed.

USDA's <u>www.usda.gov/newfarmers</u> has in depth information for new farmers and ranchers, including: how to increase access to land and capital; build new market opportunities; participate in conservation opportunities; select and use the right risk management tools; and access USDA education, and technical support programs. These issues have been identified as top priorities by new farmers. The website will also feature instructive case studies about beginning farmers who have successfully utilized USDA resources to start or expand their business operations.

Today's policy announcements in support of beginning farmers and ranchers include:

• Waiving service fees for new and beginning farmers or ranchers to enroll in the Non-Insured Crop Disaster Assistance Program (NAP) for the 2014 crop year. NAP provides risk management tools to farmers who grow crops for which there is no crop insurance product. Under this waiver, announced via an <u>official notice</u> to Farm Service Agency offices, farmers and ranchers whom already enrolled in NAP for the 2014 crop year and certified to being a beginning farmer or social disadvantaged farmer are eligible for a service fee refund.

• Eliminating payment reductions under the <u>Conservation Reserve Program</u> (CRP) for new and beginning farmers which will allow routine, prescribed, and emergency grazing outside the primary nesting season on enrolled land consistent with approved conservation plans. Previously, farmers and ranchers grazing on CRP land were subject to a reduction in CRP payments of up to 25 percent. Waiving these reductions for new and beginning farmers will provide extra financial support during times of emergency like drought and other natural disasters.

• Increasing payment rates to beginning farmers and ranchers under Emergency Assistance for <u>Livestock, Honeybees and Farm-Raised Fish Program (ELAP)</u>. Under this provision, beginning farmers can claim up 90 percent of losses for lost livestock, such as bees, under ELAP. This is a fifty percent increase over previously available payment amounts to new and beginning farmers.

In the near future, USDA will also announce additional crop insurance program changes for beginning farmers and ranchers – including discounted premiums, waiver of administrative fees, and

other benefits.

Additional information about USDA actions in support of beginning farmers and ranchers is available <u>here</u>.

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).