

December 2015



Having trouble viewing this email? [View it as a Web page.](#)

- [Dec. 1 - NAP Deadline to obtain 2016 Crop coverage](#)
- [Secretary Vilsack Announces Additional 800,000 Acres Dedicated to Conservation Reserve Program for Wildlife Habitat and Wetlands](#)
- [Dec. 7 - FSA County Committee Elections Close](#)
- [USDA Announces \\$210 Million to be Invested in Renewable Energy Infrastructure through the Biofuel Infrastructure Partnership](#)
- [MAL and LDP Policy Changes for Crop Years 2015-2018](#)
- [Direct Loans](#)
- [USDA Commits \\$2.5 Million to Expand New Farmer Education](#)
- [Save Time – Make an Appointment with FSA](#)
- [Farmers to receive Documentation of USDA Services](#)
- [Rural Energy for America Program \(REAP\)](#)
- [Value Added Producer Grant Program \(VAPG\)](#)
- [Important FSA Dates to Remember](#)

Colorado FSA eNewsletter

Colorado State FSA Office

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State Executive Director:
Leland Swenson

State Committee;
Armando Valdez, Chairman

Members:
Marsha Daughenbaugh
Anita Nein
Bill Warren
James Hume

Next Meeting: December

Dec. 1 - NAP Deadline to obtain 2016 Crop coverage

Producers are reminded to apply for 2016 Noninsured Crop Disaster Assistance Program (NAP) benefits by Dec. 1, 2015. The Dec 1 deadline includes: Alfalfa, Clover, Grass, Honey, Mixed Forage, Mustard and Vetch.

Eligible producers can apply for 2016 NAP coverage at their local FSA Office using form CCC-471, Application for Coverage. The service fee for basic NAP coverage is the lesser of \$250 per crop or \$750 per producer per administrative county, not to exceed a total of \$1,875 for a producer with farming interest in multiple counties. Producers interested in buy-up coverage must pay a premium, in addition to the service fee. The maximum premium will be \$6,563.

Producer meeting the definition of a socially disadvantaged farmer or rancher, beginning farmer or rancher or limited resource farmer or rancher will have service fees waived. Producers meeting this definition that choose to purchase buy-up coverage will also have service fees waived and the premium will be capped at \$3,282

[Online directory of FSA Offices](#)

Secretary Vilsack Announces Additional 800,000 Acres Dedicated to Conservation Reserve Program for Wildlife Habitat and Wetlands

Secretary Hails Program's 30th Anniversary, Announces General Signup Period

Reasonable

Accommodations: People with disabilities who require accommodations to participate in FSA programs should contact the County Executive Director in the FSA Office in your area or Federal Relay Service at 1-800-877-8339.

Alternatively, you may also contact Colorado FSA Civil Rights Coordinator Patti Finke at (720) 544-2889 or patti.finke@co.usda.gov

Agriculture Secretary Tom Vilsack announced that an additional 800,000 acres of highly environmentally sensitive land may be enrolled in Conservation Reserve Program (CRP) under certain wetland and wildlife initiatives that provide multiple benefits on the same land.

The U.S. Department of Agriculture (USDA) will accept new offers to participate in CRP under a general signup to be held Dec. 1, 2015, through Feb. 26, 2016. Eligible existing program participants with contracts expiring Sept. 30, 2015, will be granted an option for one-year extensions. Farmers and ranchers interested in removing sensitive land from agricultural production and planting grasses or trees to reduce soil erosion, improve water quality and restore wildlife habitat are encouraged to enroll.

For 30 years, the Conservation Reserve Program has helped farmers and ranchers prevent more than 8 billion tons of soil from eroding, reduce nitrogen and phosphorous runoff relative to cropland by 95 and 85 percent respectively, and even sequester 43 million tons of greenhouse gases annually, equal to taking 8 million cars off the road.

The voluntary Conservation Reserve Program allows USDA to contract with agricultural producers so that environmentally sensitive land is conserved. Participants establish long-term, resource-conserving plant species to control soil erosion, improve water quality and develop wildlife habitat. In return, USDA's Farm Service Agency (FSA) provides participants with rental payments and cost-share assistance. Contract duration is between 10 and 15 years.

CRP protects water quality and restores significant habitat for ducks, pheasants, turkey, quail, deer and other important wildlife which spurs economic development like hunting and fishing, outdoor recreation and tourism across rural America. Today's announcement allows an additional 800,000 acres for duck nesting habitat and other wetland and wildlife habitat initiatives to be enrolled in the program.

Farmers and ranchers should consider the various CRP continuous sign-up initiatives that may help target specific resource concerns. Financial assistance is offered for many practices including conservation buffers and pollinator habitat plantings, and initiatives such as the highly erodible lands, bottomland hardwood tree and longleaf pine.

Farmers and ranchers may visit their FSA county office for additional information. The 2014 Farm Bill authorized the enrollment of grasslands in CRP and information on grasslands enrollment will be available after the regulation is published later this summer.

For more information on CRP and other FSA programs, please visit www.fsa.usda.gov.

Dec. 7 - FSA County Committee Elections Close

Farmers and Ranchers Have a Voice in Local Farm Program Decisions

The Farm Service Agency (FSA) reminds producers that 2015 FSA County Committee election ballots must be returned to local FSA offices by Dec. 7, 2015.

Nearly 7,700 FSA County Committee members serve FSA offices nationwide. Each committee has three to 11 elected members who serve three-year terms of office. One-third of county committee seats are up for election each year. County committee members apply their knowledge and judgment to help FSA make important decisions on its commodity support programs;

conservation programs; indemnity and disaster programs; emergency programs and eligibility.

Producers must participate or cooperate in an FSA program to be eligible to vote in the county committee election. Approximately 1.9 million producers are currently eligible to vote. Farmers and ranchers who supervise and conduct the farming operations of an entire farm, but are not of legal voting age, also may be eligible to vote.

Farmers and ranchers will begin receiving their ballots the week of Nov. 9. Ballots include the names of candidates running for the local committee election. FSA has modified the ballot, making it more easily identifiable and less likely to be overlooked. Voters who do not receive ballots in the coming week can pick one up at their local FSA office. Ballots returned by mail must be postmarked no later than Dec. 7, 2015. Newly elected committee members and their alternates will take office Jan. 1, 2016.

For more information, visit the FSA website at www.fsa.usda.gov/elections. You may also contact your local USDA Service Center or FSA office. Visit <http://offices.usda.gov> to find an FSA office near you.

USDA Announces \$210 Million to be Invested in Renewable Energy Infrastructure through the Biofuel Infrastructure Partnership

21 States and Private Partners Match Federal Funds to Expand Infrastructure and Increase Fuel Options for Consumers

USDA is partnering with 21 states through the Biofuel Infrastructure Partnership (BIP) to nearly double the number of fueling pumps nationwide that supply renewable fuels to American motorists. In May 2015, USDA announced the availability of [\\$100 million in grants through the BIP](#), and that to apply states and private partners match the federal funding by a 1:1 ratio. USDA received applications requesting over \$130 million, outpacing the \$100 million that is available. With the matching commitments by state and private entities, the BIP is investing a total of \$210 million to strengthen the rural economy.

The 21 states participating in the BIP include Colorado, Florida, Illinois, Indiana, Iowa, Kansas, Louisiana, Maryland, Michigan, Minnesota, Missouri, Nebraska, North Carolina, North Dakota, Ohio, Pennsylvania, South Dakota, Texas, Virginia, West Virginia, and Wisconsin. The amount awarded to each state is available at: www.fsa.usda.gov/programs-and-services/energy-programs/bip/index. The final awards being announced today are estimated to expand infrastructure by nearly 5,000 pumps at over 1,400 fueling stations.

A typical gas pump delivers fuel with 10 percent ethanol, which limits the amount of renewable energy that consumers can purchase. The new partnership will increase the number of pumps, storage and related infrastructure that offer higher blends of ethanol, such as E15, E85, and even intermediate combination blends.

USDA's Office of the Chief Economist just released a comprehensive report on ethanol. The report, titled U.S. Ethanol: An Examination of Policy, Production, Use, Distribution, and Market Interactions, brings clarity to the complex interaction of ethanol production with agricultural markets and government policies. The corn ethanol industry is the largest biofuel producer in the country, with production increasing from about 1.6 billion gallons in 2000 to just over 14 billion gallons in 2014, stimulating economic activity in rural communities. Visit www.usda.gov/oce/reports/energy/EthanolExamination102015.pdf to read the complete report.

BIP is administered by the USDA Farm Service Agency. For more information, visit www.fsa.usda.gov/programs-and-services/energy-programs/index.

MAL and LDP Policy Changes for Crop Years 2015-2018

The Agricultural Act of 2014 authorized 2014-2018 crop year Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs), with a few minor policy changes.

Among the changes, farm-stored MAL collateral transferred to warehouse storage will retain the original loan rate, be allowed to transfer only the outstanding farm-stored quantity with no additional quantity allowed and will no longer require producers to have a paid for measurement service when moving or commingling loan collateral.

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, 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 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.

FSA is now accepting requests for 2015 MALs and LDPs for all eligible commodities after harvest.

Before MAL repayments with a market loan gain or LDP disbursements can be made, producers must meet the requirements of actively engaged in farming, cash rent tenant and member contribution.

Additionally, form CCC-902 and CCC-901 must be submitted for the 2014 crop year, if applicable, with a county committee determination and updated subsidiary files.

To be considered eligible for an LDP, producers must have form [CCC-633EZ](#), Page 1 on file at their local FSA Office before losing beneficial interest in the crop. Pages 2, 3 or 4 of the form must be submitted when payment is requested.

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. Producers must have a valid CCC-941 on file to earn a market gain of LDP.

For more information and additional eligibility requirements, please visit a nearby USDA Service Center or FSA's website www.fsa.usda.gov.

Direct Loans

FSA offers direct farm ownership and direct farm operating Loans to producers who want to establish, maintain or strengthen their farm or ranch. FSA loan officers process, approve and service direct loans.

Direct farm operating loans can be used to purchase livestock and feed, farm equipment, fuel, farm chemicals, insurance and other costs including family living expenses. Operating loans can also be used to finance minor improvements or repairs to buildings and to refinance some farm-related debts, excluding real estate.

Direct farm ownership loans can be used to purchase farmland, enlarge an existing farm, construct and repair buildings, and to make farm improvements.

The maximum loan amount for both direct farm ownership and operating loans is \$300,000 and a down payment is not required. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your local FSA office for more information or to apply for a direct farm ownership or operating loan.

USDA Commits \$2.5 Million to Expand New Farmer Education

Training Will also Help Returning Service Members, Underserved, and Urban Producers

U.S. Department of Agriculture (USDA) has announced that \$2.5 million in grants is now available for projects to educate new and underserved farmers about more than 20 Farm Service Agency (FSA) programs that can provide financial, disaster or technical assistance to the agricultural community.

The grants will be awarded to nonprofits and public higher education institutions that develop proposals to improve farmer education on topics such as financial training, value-added production, recordkeeping, property inheritance, and crop production practices.

USDA will conduct four evaluation periods to review applications, with the deadlines of Nov. 20, 2015, Jan. 22, 2015, Mar. 18, 2016, and May 27, 2016. Awards between \$20,000 and \$100,000 per applicant will be available. To learn more about the

funding solicitation and the related Farm Service Agency programs, details can be found at www.grants.gov with the reference number USDA-FSA-CA-2015-001. For nonprofits and public institutions of higher education that are considering participation, an online informational session will be conducted on Sept. 28, 2015. Additional information is posted on the Web at www.fsa.usda.gov/outreach.

Save Time – Make an Appointment with FSA

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: <http://offices.sc.egov.usda.gov/locator/app>.

Farmers to receive Documentation of USDA Services

Local Offices Issue Receipts for Services Provided

Farm Service Agency (FSA) reminds agricultural producers that FSA provides a receipt to customers who request or receive assistance or information on FSA programs.

As part of FSA's mission to provide enhanced customer service, producers who visit FSA will receive documentation of services requested and provided. From December through June, FSA issued more than 327,000 electronic receipts.

The 2014 Farm Bill requires a receipt to be issued for any agricultural program assistance requested from FSA, the National Resources Conservation Service (NRCS) and Rural Development (RD). Receipts include the date, summary of the visit and any agricultural information, program and/or loan assistance provided to an individual or entity.

In some cases, a form or document – such as a completed and signed program enrollment form – serve as the customer receipt instead of a printed or electronic receipt. A service is any information, program or loan assistance provided whether through a visit, email, fax or letter.

To learn more about FSA, visit www.fsa.usda.gov or contact this office at 509-397-4301

Rural Energy for America Program (REAP)

Are you looking to add a variable frequency drive to your center pivot irrigation system, or are you looking to replace your milking and or processing equipment with new and more energy efficient equipment? Or are you looking to install a solar or wind powered system to off-set your electrical needs? If so, USDA Rural Development's Rural Energy for America Program (REAP) has grants, guaranteed loans and grant/loan combinations available for agricultural producers and rural small businesses that could assist in covering part of the costs associated with your energy efficiency updates and or Renewable Energy System installations.

Who is eligible to apply for the REAP program? Agricultural Producers and Rural Small Businesses – an Agricultural Producer is defined as directly engaged in the production of agricultural products and obtains at least 51% of gross income from the agricultural production. A Rural Small Business is defined by the Small Business Administration's standards for that industry: www.sba.gov/content/table-small-business-size-standards and is located in a Rural area with a population of 50,000 or less

What funding is Available? Grants not to exceed 25% of the total project costs. Minimum and maximum grant amounts are as follows – Energy Efficiency projects, \$1,500 and \$250,000. Renewable Energy Systems - \$2,500 and \$500,000. Loan Guarantees on loans up to 75% of the total eligible project costs. Combined grant and loan guarantee up to 75% of the total eligible project costs.

What are eligible project costs? Funds may be used for the post application purchase, installation and construction of energy efficiency improvements such as converting a diesel irrigation motor to electric, installation of a variable frequency drive on an existing center pivot system, replacement of lighting and other energy inefficient equipment in your shops, barns, etc. Funds may also be used for post application purchase, installation and construction of renewable energy systems such as wind, solar

and small hydro, to offset your energy usage.

What are ineligible project costs? Funds may not be used to purchase agricultural tillage equipment, used equipment and vehicles. Nor can funds be used for any residential projects.

When and where do you apply? Grant requests of \$20,000 or less are due May 2, 2016, and Grant requests up to \$500,000 are due May 2, 2016. However, you may apply for both grants and loans year round, and it is highly encouraged to get your applications in well before the deadline you are wishing to compete in.

Who do you contact? To obtain more information or request an application you can contact Donald Nunn, Colorado's Energy Coordinator, at 720-544-2907 or Donald.nunn@co.usda.gov. You may also contact April Dahlager, Program Director at 720-544-2909 or for more basic information on the program you can click the following link to the national REAP website at:

<http://www.rd.usda.gov/programs-services/rural-energy-america-program-renewable-energy-systems-energy-efficiency>

Value Added Producer Grant Program (VAPG)

Do you have a commodity that you raise or grow that you are turning into a value added product and need to expand your market or customer base and do not have the resources to do so? Or do you have a value added product, that you could use assistance in the processing activities? If so, USDA Rural Development's Value Added Producer Grant Program (VAPG) may fit your needs.

What is the VAPG Program? The VAPG program helps agricultural producers enter into value-added activities related to the processing and/or marketing of bio-based, value-added products. Generating new products, creating and expanding marketing opportunities, and increasing producer income are the goals of this program. You may receive priority if you are a beginning farmer or rancher, a socially-disadvantaged farmer or rancher, a small or medium-sized farm or ranch structured as a family farm, a farmer or rancher cooperative, or are proposing a mid-tier value chain. Grants are awarded through a national competition. Each fiscal year, applications are requested through a notice published in the [Federal Register](#) and through an announcement posted on [Grants.gov](#).

Who can apply? Independent Agricultural Producers, Agricultural Producer Groups, Farmer or Rancher Cooperatives, and majority-controlled producer-based business ventures.

What grant funds available? There are grant funds available in the form of a planning grant or working capital grant. Grant amounts requested can be up to 50% of the total eligible project costs. The maximum amounts for both the planning grant and working capital grant are set each year in the Notice of Funding Availability published in the Federal Register.

Are matching funds required? Yes, the applicant must evidence their ability to provide 50% of the total project costs at the time of the application. Applicant's Match can consist of 25% cash match and 25% in-kind match.

What can the funds be used for? Planning grant funds can be used for planning activities such as conducting feasibility studies and developing business plans for processing and marketing the proposed value-added product. Working capital grant funds can be used for such things as processing costs associated with the value added process, marketing and advertising expenses, and salary expenses for employees (However, grant or matching funds cannot be used to pay owner's or owner's family member's salaries):

When and where do you apply? Application deadlines are announced annually in the [Federal Register](#). To date, no announcement has been made for Fiscal Year 2016. Applications must be received by 4:30 PM local time the day of the application deadline. Applications may be mailed or hand delivered to USDA Rural Development Attn: VAPG Coordinator, Denver Federal Center, Building 56, Room 2300, PO Box 25426 Denver, CO 80225-0426 or submitted via [Grants.gov](#). Potential applicants are highly encouraged to start the application process early by contacting Donald Nunn at 720-544-2907 or donald.nunn@co.usda.gov.

Who to contact about program questions and or to receive an application? You may contact Donald Nunn at 720-544-2907 or donald.nunn@co.usda.gov.

For more general information about the grant program you can go to: <http://www.rd.usda.gov/programs-services/value-added-producer-grants>.

Important FSA Dates to Remember

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- **Dec. 1-** 2016 NAP Application Closing Date for Honey, Alfalfa, Mixed Forage and Grass
- **Dec. 1 - Feb. 26, 2016** - CRP General signup
- **Dec. 7-** Last Day to Return Voted County Committee Election Ballots to FSA at the Local USDA Service Center
- **Jan. 15** - Deadline to certify acreage for Apples, Grapes and Peaches
- **Feb. 1** - 2016 NAP Application Closing Date for Onions, Scallions and Shallots

Ongoing Notice of Loss Requirements:

- **NAP:** Submit Notice of Loss within 15 calendar days of the earlier of a natural disaster occurrence, the final planting date if planting is prevented by a natural disaster, the date that damage to the crop or loss of production becomes apparent; or the normal harvest date.
- **ELAP:** Submit Notice of Loss the earlier of 30 calendar days of when the loss is apparent or Nov. 1st after the end of the program year in which the loss occurred.
- **Livestock Indemnity Program (LIP):** Submit Notice of Loss within 30 calendar days of when the loss is apparent

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).