

January 2016



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

- [Jan 15 - Acreage Reporting Deadline](#)
- [Feb. 1 - NAP Deadline to obtain 2016 Crop coverage](#)
- [USDA to Provide Agricultural Credit Training, Expand Opportunities for Farmer Veterans and Beginning Farmers](#)
- [USDA Packages Disaster Protection with Loans to Benefit Specialty Crop and Diversified Producers](#)
- [USDA Removes Farm Program Payments to Managers Not Actively Engaged in Farming](#)
- [Enrollment Period for 2016 USDA Safety Net Coverage Began Dec. 7](#)
- [USDA Begins 49th Enrollment Period for the Conservation Reserve Program](#)
- [Reporting Organic Crops](#)
- [ARC, PLC and CTAP Acreage Maintenance.](#)
- [Farm Stored Loans](#)
- [Farm Reconstitutions](#)
- [Update Your Records](#)
- [Feb. 18 - 2016 Governor's Forum - "Next Generation Agriculture"](#)
- [Value Added Producer Grant Program \(VAPG\)](#)
- [Rural Energy for America Program \(REAP\)](#)
- [Important FSA Dates to Remember](#)

Colorado FSA eNewsletter

Colorado State FSA Office

Denver Federal Center
Building 56, Room 2760
Denver, CO 80225-0426
Phone: 720-544-2876
Fax: 844-860-8228
Website: www.fsa.usda.gov/co

State Executive Director:

Leland Swenson

State Committee

Armando Valdez, Chairman
Members:
Marsha Daughenbaugh
Anita Nein
Bill Warren
James Hume

Jan 15 - Acreage Reporting Deadline

Colorado producers are encouraged to visit their local FSA Office to file an accurate crop certification report no later than January 16, 2016 for Apples, Grapes and Peaches.

There will be a late file fee after January 15, 2016. Producers are encouraged to visit their local FSA office to file an accurate, timely crop certification report no later than Jan 15.

The following exceptions apply to the above acreage reporting date:

- 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.

Next Meeting: February 16 & 17

[Online directory of FSA Offices](#)

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

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.

Feb. 1 - NAP Deadline to obtain 2016 Crop coverage

Producers are reminded to apply for 2016 Noninsured Crop Disaster Assistance Program (NAP) benefits by Feb 1, 2016. The Feb 1 deadline includes: Onions, Scallions, Shallots.

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.

USDA to Provide Agricultural Credit Training, Expand Opportunities for Farmer Veterans and Beginning Farmers

USDA announced a partnership with the Farmer Veteran Coalition (FVC) to conduct agricultural credit training sessions in the Midwest for military veterans and beginning farmers and ranchers. States under consideration to host the workshops include Iowa, Illinois, Indiana, Michigan, Minnesota, Missouri, and Nebraska.

These workshops will provide individuals interested in farming as a career, including military veterans, with methods to improve business planning and financial skills, and improve understanding of the risk management tools that can help small farm operations.

Other partners include Niman Ranch a community network of more than 700 independent family farmers and ranchers, and the Farm Credit Council and the Farm Credit System, which provides loans, leases and financial services to farmers, ranchers and rural businesses across the United States. The workshops will also include assistance with credit applications and introductions to local or regional food markets.

To learn more about veterans in agriculture, visit www.usda.gov/veterans. Visit www.fsa.usda.gov/farmloans or your local Farm Service Agency (FSA) office to learn more about FSA's farm loan programs. To find your local FSA office, visit <http://offices.usda.gov>. More information also is available from the Farmer Veteran Coalition at www.farmvetco.org.

USDA Packages Disaster Protection with Loans to Benefit Specialty Crop and Diversified Producers

Free basic coverage and discounted premiums available for new and underserved loan applicants

U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) today announced that producers who apply for FSA farm loans also will be offered the opportunity to enroll in new disaster loss protections created by the 2014 Farm Bill. The new coverage, available from the Noninsured Crop Disaster Assistance Program (NAP), is available to FSA loan applicants who grow non-insurable crops, so this is especially important to fruit and vegetable producers and other specialty crop growers.

New, underserved and limited income specialty growers who apply for farm loans could qualify for basic loss coverage at no cost, or higher coverage for a discounted premium.

The basic disaster coverage protects at 55 percent of the market price for crop losses that exceed 50 percent of production. Covered crops include “specialty” crops, for instance, vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, hay, forage, grazing and energy crops. FSA allows beginning, underserved or limited income producers to obtain NAP coverage up to 90 days after the normal application closing date when they also apply for FSA credit.

In addition to free basic coverage, beginning, underserved or limited income producers are eligible for a 50 percent discount on premiums for the higher levels of coverage that protect up to 65 percent of expected production at 100 percent of the average market price. Producers also may work with FSA to protect value-added production, such as organic or direct market crops, at their fair market value in those markets. Targeted underserved groups eligible for free or discounted coverage are American Indians or Alaskan Natives, Asians, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, Hispanics, and women.

FSA offers a variety of loan products, including farm ownership loans, operating loans and microloans that have a streamlined application process.

Growers need not apply for an FSA loan, nor be a beginning, limited resource, or underserved farmer, to be eligible for Noninsured Crop Disaster Assistance Program assistance. To learn more, visit www.fsa.usda.gov/nap or www.fsa.usda.gov/farmloans, or contact your local FSA office at <https://offices.usda.gov>.

USDA Removes Farm Program Payments to Managers Not Actively Engaged in Farming

USDA finalized a rule to ensure that farm safety-net payments are issued only to active managers of farms that operate as joint ventures or general partnerships, consistent with the direction and authority provide by Congress in the 2014 Farm Bill. The action, which exempts family farm operations, closes a loophole where individuals who were not actively part of farm management still received payments.

Since 1987, the broad definition of “actively engaged” resulted in some general partnerships and joint ventures adding managers to the farming operation, qualifying for more payments, that did not substantially contribute to management. The rule applies to operations seeking more than one farm manager, and requires measureable, documented hours and key management activities each year. Some operations of certain sizes and complexity may be allowed up to three qualifying managers under limited conditions. The changes apply to payments for 2016 and subsequent crop years for Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) Programs, Loan Deficiency Payments (LDP) and Marketing Loan Gains (MLG) realized via the Marketing Assistance Loan program.

As required by Congress, the new rule does not apply to family farms, or change regulations related to contributions of land, capital, equipment, or labor. The changes go into effect for the 2016 crop year for most farms. Farms that have already planted fall crops for 2016 have until the 2017 crop year to comply. For more details, producers are encouraged to consult their local Farm Service Agency office.

Enrollment Period for 2016 USDA Safety Net Coverage Began Dec. 7

USDA's Farm Service Agency (FSA) has announced that producers who chose coverage from the safety net programs established by the 2014 Farm Bill, known as the Agriculture Risk Coverage (ARC) or the Price Loss Coverage (PLC) programs, can begin visiting FSA county offices starting Dec. 7, 2015, to sign contracts to enroll in coverage for 2016. The enrollment period will continue until Aug. 1, 2016.

Although the choice between ARC and PLC is completed and remains in effect through 2018, producers must still enroll their farm by signing a contract each year to receive coverage.

Producers are encouraged to contact their local FSA office to schedule an appointment to enroll. If a farm is not enrolled during the 2016 enrollment period, producers on that farm will not be eligible for financial assistance from the ARC or PLC programs should crop prices or farm revenues fall below the historical price or revenue benchmarks established by the program.

The two programs were authorized by the 2014 Farm Bill and offer a safety net to agricultural producers when there is a substantial drop in prices or revenues for covered commodities. Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium grain rice (which includes short grain and sweet rice), safflower seed, sesame, soybeans, sunflower seed and wheat. Upland cotton is no longer a covered commodity. For more details regarding these programs, go to www.fsa.usda.gov/arc-plc.

For more information, producers are encouraged to visit their local FSA office. To find a local FSA office, visit <http://offices.usda.gov>.

USDA Begins 49th Enrollment Period for the Conservation Reserve Program

December 2015 Marks 30th Anniversary for the Nation's Most Successful Voluntary Conservation Program

Farmers and ranchers are reminded that the next general enrollment period for the Conservation Reserve Program (CRP) started Dec. 1, 2015, and ends on Feb. 26, 2016. December 2015 also marks the 30th anniversary of CRP, a federally funded program that assists agricultural producers with the cost of restoring, enhancing and protecting certain grasses, shrubs and trees to improve water quality, prevent soil erosion and reduce loss of wildlife habitat.

As of September 2015, 24.2 million acres were enrolled in CRP. CRP also is protecting more than 170,000 stream miles with riparian forest and grass buffers, enough to go around the world 7 times. For an interactive tour of CRP success stories from across the U.S., visit www.fsa.usda.gov/CRPis30, or follow on Twitter at #CRPis30.

Participants in CRP establish long-term, resource-conserving plant species, such as approved grasses or trees (known as "covers") to control soil erosion, improve water quality and develop wildlife habitat on marginally productive agricultural lands. In return, FSA provides participants with rental payments and cost-share assistance. At times when commodity prices are low, enrolling sensitive lands in CRP can be especially attractive to farmers and ranchers, as it softens the economic hardship for landowners at the same time that it provides ecological benefits. Contract duration is between 10 and 15 years. The long-term goal of the program is to re-establish native plant species on marginal agricultural lands for the primary purpose of preventing soil erosion and improving water quality and related benefits of reducing loss of wildlife habitat.

Reporting Organic Crops

Producers who want to use the Noninsured Crop Disaster Assistance Program (NAP) organic price and selected the "organic" option on their NAP application must report their crops as organic.

When certifying organic acres, the buffer zone acreage must be included in the organic acreage.

Producers must also provide a current organic plan, organic certificate or documentation from a certifying agent indicating an organic plan is in effect. Documentation must include:

- name of certified individuals
- address
- telephone number
- effective date of certification
- certificate number
- list of commodities certified
- name and address of certifying agent
- a map showing the specific location of each field of certified organic, including the buffer zone acreage

Certification exemptions are available for producers whose annual gross agricultural income from organic sales totals \$5,000 or less. Although exempt growers are not required to provide a written certificate, they are still required to provide a map showing the specific location of each field of certified organic, transitional and buffer zone acreage.

For questions about reporting organic crops, contact your local FSA office. To find your local office, visit <http://offices.usda.gov>.

ARC, PLC and CTAP Acreage Maintenance.

Producers enrolled in Agriculture Risk Coverage (ARC), Price Loss Coverage (PLC) or the Cotton Transition Assistance Program (CTAP) must protect all cropland and noncropland acres on the farm from wind and water erosion and noxious weeds. Producers who sign ARC county or individual contracts and PLC contracts agree to effectively control noxious weeds on the farm according to sound agricultural practices. If a producer fails to take necessary actions to correct a maintenance problem on a farm that is enrolled in ARC, PLC or CTAP, the County Committee may elect to terminate the contract for the program year.

Farm Stored Loans

Maintaining the Quality of Farm-Stored Loan Grain

Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

Unauthorized Disposition of Grain

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.

Farm Reconstitutions

When changes in farm ownership or operation take place, a farm reconstitution is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

The following are the different methods used when doing a farm recon.

Estate Method — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

DCP Cropland Method — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

Default Method — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

Update Your Records

FSA is cleaning up our producer record database. If you have any unreported changes of address or zip code or an incorrect name or business name on file they need to be reported to our office. Changes in your farm operation, like the addition of a farm by lease or purchase, need to be reported to our office as well. Producers participating in FSA and NRCS programs are required to timely report changes in their farming operation to the County Committee in writing and update their CCC-902 Farm Operating Plan.

If you have any updates or corrections, please call your local FSA office to update your records.

Feb. 18 - 2016 Governor's Forum - "Next Generation Agriculture"

Technology, labor issues and changing rural demographics among the many topics to be discussed.

The 2016 Governor's Forum on Colorado Agriculture – titled “Next Generation Agriculture” – is set for 8 a.m. on Feb. 18, taking place at the Renaissance Denver Hotel (3801 Quebec St). The event is open to the public and media. Anyone interested in attending can learn more and register at www.governorsagforum.com.

The Forum – hosted by the Colorado Agricultural Leadership Program – will cover the future of Colorado's rural communities, labor availability challenges, succession planning for farmers and ranchers, working in multi-generational workplaces, the changing landscape for women in ag, Colorado's new cannabis industry, technology, biotechnology, social media and more.

The approximately two dozen presenters and panelists slated to take the stage at this year's Forum include:

* Dr. David Brown, Co-Director of Cornell University's Community & Regional Development Institute, and International Professor of Development Sociology

* Ken Nugent, President and CEO of Global Development Analytics

* Matthew Redmond, President and CEO of AgriNETx LLC and Agriburbia LLC

* Jason Resnick, Vice President and General Counsel with the Western Growers Association

* Juriana Sperandio, Head of Organization Development with JBS LLC

* and a myriad of Colorado farmers and ranchers, Colorado State University faculty, and other experts and officials from the industry.

This is the 25th year of the Governor's Forum on Colorado Agriculture, which in recent years has been hosted by the Colorado Agricultural Leadership Program (CALP). CALP, now working with its 12th class, is a nonprofit organization that develops and enhances the leadership capabilities of diverse men and women committed to the future of Colorado's agricultural and rural communities.

Please make plans to stop by the Colorado Farm Service Agency (FSA) exhibit and booth to learn more about commodity, conservation, disaster assistance and farm loan programs available through FSA.

Persons with disabilities who require accommodations to attend or participate in this meeting/event/function should contact Patti Finke at 720-544-2889 or Federal Relay Service at 1-800-877-8339 by February 8, 2016.

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 720-554-2907 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>.

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 and 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>

Important FSA Dates to Remember

- **Jan. 15** - Deadline to Certify Acreage for Apples, Grapes and Peaches
- **Jan. 30** - Deadline to submit 2015 LIP Applications for Payments and Supporting Documentation
- **Feb. 1** - 2016 NAP Application Closing Date for Onions, Scallions and Shallots
- **Feb. 26** - General CRP Sign up Deadline
- **Mar. 15** - NAP Application Closing Date for Spring Seeded Crops - See local office for listing.

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, 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).
