

June 2015



Kansas FSA Newsletter

Kansas Farm Service Agency State Office

3600 Anderson Avenue
Manhattan, KS 66503

www.fsa.usda.gov/ks

State Committee:

Timothy Peterson
Nicholas Bowser
Louise Ehmke
Sharon Karr
Mark Treaster

State Executive Director:

Adrian J. Polansky

Executive Officer:

Jack Salava

Division Chiefs:

Terry Hawk
Rod Winkler
Robert White

Please contact your local
FSA Office for questions
specific to your operation or
county.

Tree Assistance Program (TAP) Sign-up

Qualifying orchardists and nursery tree growers who experience losses from natural disasters during calendar year 2015 must submit a TAP application and supporting documentation within 90 calendar days after the disaster event or the date when the loss is apparent. TAP was authorized by the Agricultural Act of 2014 as a permanent disaster program. TAP provides financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes and vines damaged by natural disasters.

Eligible tree types include trees, bushes or vines that produce an annual crop for commercial purposes. Nursery trees include ornamental, fruit, nut and Christmas trees that are produced for commercial sale. Trees used for pulp or timber are ineligible.

To qualify for TAP, orchardists must suffer a qualifying tree, bush or vine loss in excess of 18 percent mortality from an eligible natural disaster. The eligible trees, bushes or vines must have been owned by the applicant when the natural disaster occurred; however, eligible growers are not required to own the land on which the eligible trees, bushes and vines were planted.

If the TAP application is approved, the eligible trees, bushes and vines must be replaced within 12 months from the date the application is approved. The cumulative total quantity of acres planted to trees, bushes or vines, for which a producer can receive TAP payments, cannot exceed 500 acres annually.

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

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.

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.

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 Farm Loan office for more information or to apply for a direct farm ownership or operating loan.

USDA Announces Restart of Biomass Crop Assistance Program for Renewable Energy

The U.S. Department of Agriculture (USDA) announced that incentives will resume this summer for farmers, ranchers and forest landowners interested in growing and harvesting biomass for renewable energy. The support comes through the Biomass Crop Assistance Program (BCAP), which was reauthorized by the 2014 Farm Bill. BCAP provides financial assistance to establish and maintain new crops of energy biomass, or who harvest and deliver forest or agricultural residues to a qualifying energy facility.

Financial assistance is available through BCAP for costs associated with harvesting and transporting agriculture or forest residues to facilities that convert biomass crops into energy. Eligible crops may include corn residue, diseased or insect infested wood materials, or orchard waste. The energy facility must first be approved by USDA to accept the biomass crop. Facilities can apply for, or renew, their BCAP qualification status through June 12, 2015. \$11.5 million of federal funds will be allocated to support the delivery of biomass materials through December 2015. Last year, more than 200,000 tons of dead or diseased trees from National Forests and Bureau of Land Management lands were removed and used to produce renewable energy, while reducing the risk of forest fire. Nineteen energy facilities in 10 states participated in the program.

Farmers, ranchers and forest landowners can also receive financial assistance to grow biomass crops that will be converted into energy in selected BCAP project areas. New BCAP project area proposals will be solicited beginning this summer and accepted through fall 2015, with new project area announcements and enrollments taking place in early spring 2016. The extended proposal submission period allows project sponsors time to complete any needed environmental assessments and allows producers enough lead time to make informed decisions on whether or not to pursue the BCAP project area enrollment opportunity. This fiscal year USDA's Farm Service Agency (FSA) will allocate up to \$8 million for producer enrollment to expand and enhance existing BCAP project areas. Additionally, in accordance with the 2014 Farm Bill, underserved farmers are eligible for a higher establishment cost share. BCAP projects have supported over 50,000 acres across 74 counties in 11 different project areas.

For more information, visit www.usda.gov.

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) 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/napor or www.fsa.usda.gov/farmloans, or contact your local FSA office at <https://offices.usda.gov>.

AskFSA

Are you looking for answers to your FSA questions? Then ASK FSA at askfsa.custhelp.com.

AskFSA is an online resource that helps you easily find information and answers to your FSA questions no matter where you are or what device you use. It is for ALL customers, including underserved farmers and ranchers who wish to be enrolled in FSA loans, farm, and conservation programs.

Through AskFSA you can:

- Access our knowledge base 24/7
 - Receive answers to your questions faster
 - Submit a question and receive a timely response from an FSA expert
 - Get notifications when answers important to you and your farming operation are updated
 - Customize your account settings and view responses at any time
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Guaranteed Loan Program

FSA guaranteed loans allow lenders to provide agricultural credit to farmers who do not meet the lender's normal underwriting criteria. Farmers and ranchers apply for a guaranteed loan through a lender, and the lender arranges for the guarantee. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. Guaranteed loans can be used for both farm ownership and operating purposes.

Guaranteed farm ownership loans can be used to purchase farmland, construct or repair buildings, develop farmland to promote soil and water conservation or to refinance debt.

Guaranteed operating loans can be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance and other operating expenses.

FSA can guarantee farm ownership and operating loans up to \$1,392,000. 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 lender or local FSA farm loan office for more information on guaranteed loans.

Dates to Remember

06/15/2015 Nomination Period for County Committee Elections Begins
07/01/2015 Registration Period for MPP-Dairy Coverage Year 2016 Begins
07/03/2015 FSA Offices Closed in Observance of Independence Day
07/15/2015 Final Acreage Reporting Deadline for Spring-seeded Crops
08/03/2015 Final Date for County Committee Nomination Forms to be Returned to County Offices
09/01/2015 Application Closing Date for NAP Coverage on Small Grain Crops
09/30/2015 Registration Period for MPP-Dairy Coverage Year 2016 Ends

Selected Interest Rates for June 2015

Direct Farm Operating Loans - 2.375%
Direct Farm Ownership Loans - 3.50%
Direct Farm Ownership Loans — Down Payment, Beginning Farmer or Rancher - 1.50%
Direct Farm Ownership Loans — Joint Financing - 2.50%
Emergency Loans - 3.375%
Farm Storage Facility Loans (7 years) - 1.875%
Commodity Loans 1996-Present - 1.25%

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).