Alabama Farm Service Agency
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Please contact your local FSA Office for questions specific to your operation or county.

FSA Issues Fiscal Year 2015 Impacts Report

2015 marks the 20th anniversary of USDA’s Farm Service Agency, but FSA’s roots date back nearly 80 years, to the days of the Great Depression and the Dust Bowl, when the rural economy was in crisis and America’s farmers and ranchers needed assistance. At that time, Congress empowered USDA to provide a strong safety-net for farm families, helping them navigate the unpredictability of natural disasters and volatile market conditions.

Today, technological advancements in equipment, crop and veterinary sciences, soil and water conservation, and pest and nutrient management, all have resulted in agriculture becoming stronger than we’ve ever known - certainly far stronger than the days of our grandparents and great-grandparents. But the unpredictability of weather and markets remain. That means the FSA mission is as important as it’s ever been to ensure the domestic agriculture sector continues to deliver an abundant, safe, and affordable food and fiber supply for the American people.

The FSA Impacts Report shows selected highlights for fiscal year 2015. This report highlights the achievements of FSA and will ensure that the path forward continues to demonstrate our commitment to rural America.

Final Planting Dates

All producers are encouraged to contact their local FSA office for more information on the final planting date for specific crops. The final planting dates vary by crop, planting period and county, so please contact your local FSA office for a list of county-specific planting deadlines. The timely planting of a crop, by the final planting date, may prevent loss of program benefits.
USDA To Offer Certificates for Farm Commodities Pledged to Marketing Loans

Producers who have crops pledged as collateral for a marketing assistance loan can now purchase a commodity certificate that may be exchanged for the outstanding loan collateral. The authority is provided by the 2016 Consolidated Appropriations Act, legislation enacted by Congress in December. Commodity certificates are available beginning with the 2015 crop in situations where the applicable marketing assistance loan rate exceeds the exchange rate. Currently, the only eligible commodity is cotton.

USDA’s Farm Service Agency (FSA) routinely provides agricultural producers with marketing assistance loans that provide interim cash flow without having to sell the commodities when market prices are at harvest time lows. The loans allow the producer to store and delay the sale of the commodity until more favorable market conditions emerge, while also providing for a more orderly marketing of commodities throughout the marketing year.

These loans are considered “nonrecourse” because the loan can be redeemed by delivering the commodity pledged as collateral to the government as full payment for the loan upon maturity. Commodity certificates are available to loan holders having outstanding nonrecourse loans for wheat, upland cotton, rice, feed grains, pulse crops (dry peas, lentils, large and small chickpeas), peanuts, wool, soybeans and designated minor oilseeds. These certificates can be purchased at the posted county price (or adjusted world price or national posted price) for the quantity of commodity under loan, and must be immediately exchanged for the collateral, satisfying the loan.

Producers may contact their FSA office that maintains their loan or their loan service agent for additional information. Producers who do business with Cooperative Marketing Associations (CMA) or Designated Marketing Associations (DMA) may contact their respective associations for additional information. To learn more about commodity certificates, visit www.fsa.usda.gov/pricesupport.

USDA Expands Microloans to Help Farmers Purchase Farmland and Improve Property

Producers, Including Beginning and Underserved Farmers, Have a New Option to Gain Access to Land

The U.S. Department of Agriculture (USDA) will begin offering farm ownership microloans, creating a new financing avenue for farmers to buy and improve property. These microloans will be especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations.

The microloan program, which celebrates its third anniversary this week, has been hugely successful, providing more than 16,800 low-interest loans, totaling over $373 million to producers across the country. Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013. Seventy percent of loans have gone to new farmers.

Now, microloans will be available to also help with farm land and building purchases, and soil and water conservation improvements. FSA designed the expanded program to simplify the application process, expand eligibility requirements and expedite smaller real estate loans to help farmers
strengthen their operations. Microloans provide up to $50,000 to qualified producers, and can be issued to the applicant directly from the USDA Farm Service Agency (FSA).

This microloan announcement is another USDA resource for America’s farmers and ranchers to utilize, especially as new and beginning farmers and ranchers look for the assistance they need to get started. To learn more about the FSA microloan program visit www.fsa.usda.gov/microloans, or contact your local FSA office. To find your nearest office location, please visit http://offices.usda.gov.

USDA 49th Enrollment Period for the Conservation Reserve Program Ends Feb. 26

December 2015 Marked 30th Anniversary for the Nation’s Most Successful Voluntary Conservation Program

Farmers and ranchers are reminded that the general enrollment period for the Conservation Reserve Program (CRP) ends on Feb. 26, 2016. December 2015 marked 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.

Contracts on 1.64 million acres of CRP are set to expire on Sept. 30, 2016. Producers with expiring contracts or producers with environmentally sensitive land are encouraged to evaluate their options under CRP.

Since it was established on Dec. 23, 1985, CRP has:

- Prevented more than 9 billion tons of soil from eroding, enough soil to fill 600 million dump trucks;
- Reduced nitrogen and phosphorous runoff relative to annually tilled cropland by 95 and 85 percent respectively;
- Sequestered an annual average of 49 million tons of greenhouse gases, equal to taking 9 million cars off the road.

Since 1996, CRP has created nearly 2.7 million acres of restored wetlands.
For more information on FSA conservation programs, visit a local FSA office or www.fsa.usda.gov/conservation. To find your local FSA office, visit http://offices.usda.gov.

USDA Encourages Producers to Consider Risk Protection Coverage before Crop Sales Deadlines

The Farm Service Agency encourages producers to examine available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the applicable crop sales deadline.

Producers are reminded that crops not covered by insurance may be eligible for the Noninsured Crop Disaster Assistance Program (NAP). The 2014 Farm Bill expanded NAP to include higher levels of protection. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage, as well as discounted premiums for additional levels of protection.

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

USDA has partnered with Michigan State University and the University of Illinois to create an online tool at www.fsa.usda.gov/nap that allows producers to determine whether their crops are eligible for federal crop insurance or NAP and to explore the best level of protection for their operation. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production, with higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price, including coverage for organics and crops marketed directly to consumers.

Deadlines for coverage vary by state and crop. To learn more about NAP visit www.fsa.usda.gov/nap or contact your local USDA Service Center. To find your local USDA Service Centers go to http://offices.usda.gov.

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at USDA’s online Agent Locator: http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#. Producers can use the USDA Cost Estimator, https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx, to predict insurance premium costs.

February 28, 2016, is the crop sales deadline for many NAP crops in Alabama.


The AGI verification and compliance reviews for 2011, 2012, 2013 and 2014 are conducted on producers who the IRS indicated may have exceeded the adjusted gross income limitations described in [7 CFR 1400.500]. Based on this review, producers will receive determinations of eligibility or ineligibility.

If the producer is determined to have exceeded the average AGI limitation of $900,000, receivables
will be established for payments earned directly or indirectly by the producer subject to the $900,000 limitation. The Alabama FSA Office has begun notifying producers selected for review. If you have any questions about the review process or determinations, please contact the Alabama FSA Office at 334-279-3529 or email William.Henderson@al.usda.gov. Producers who receive initial debt notification letters may only appeal the amount of the debt to their local FSA office. Payment eligibility adverse determinations become administratively final 30 days from the date of the payment eligibility adverse determination letter and can only be reopened if exceptional circumstances exist that prevented the producer from timely filing the appeal.

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**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.

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**Disaster Set-Aside (DSA) Program**

FSA borrowers with farms located in designated primary or contiguous disaster areas who are unable to make their scheduled FSA loan payments should consider the Disaster Set-Aside (DSA) program.

DSA is available to producers who suffered losses as a result of a natural disaster and is intended to relieve immediate and temporary financial stress. FSA is authorized to consider setting aside the portion of a payment needed for the operation to continue on a viable scale. Borrowers must have at least two years left on the term of their loan in order to qualify.

Borrowers have eight months from the date of the disaster designation to submit a complete application. The application must include a written request for DSA signed by all parties liable for the debt along with production records and financial history for the operating year in which the disaster occurred. FSA may request additional information from the borrower in order to determine eligibility.

All farm loans must be current or less than 90 days past due at the time the DSA application is complete. Borrowers may not set aside more than one installment on each loan.

The amount set-aside, including interest accrued on the principal portion of the set-aside, is due on or before the final due date of the loan.

For more information, contact your local FSA farm loan office.

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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).