July 2017

Farm Service Agency Electronic News Service

NEWSLETTER

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Colorado FSA: July 2017 eNewsletter

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Next State Committee Meeting: Sept. 20 & 21

Online directory of FSA Offices

July 17 - 2017 Acreage Reporting/Crop Certification Deadline

In order to comply with FSA program eligibility requirements, all producers, including livestock producers, are encouraged to visit their local FSA office to file an accurate crop certification report by the applicable deadline.

The 2017 Acreage Reporting/Crop Certification Deadline is Monday, July 17, 2017 for Spring Seeded Alfalfa Seed, Forage Seeding, Conservation Reserve Program (CRP), Fruit (except cherries), Vegetables, Christmas Trees, and all Spring-Seeded Crops and any other crops not required to be reported by previously announced deadlines.

The following exceptions apply to acreage reporting dates:

- If the crop has not been planted by the applicable 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 applicable acreage reporting date, then the acreage must be reported no later than 30 calendars days after purchase or acquiring the lease. Appropriate documentation must be provided to the county office.
- If a perennial forage crop is reported with the intended use of “cover only,” “green manure,” “left standing,” or “seed,” then the acreage must be reported by July 15th. Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP covered crops is the earlier
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.

Important reminder: A “Final” crop reporting date was established which is the crop’s subsequent year’s acreage reporting date. If a crop report is not submitted by the subsequent year’s reporting date, or “Final” acreage reporting date, the acreage report cannot be considered acceptable and producers will not receive planting credit for the crop nor will the crop be eligible for any FSA program benefits for the applicable program year.

For questions regarding crop certification and crop loss reports, please contact your local FSA office.

Producers are Encouraged to Report Prevented Planting and Failed Acres

USDA Farm Service Agency (FSA) reminds producers to report prevented planting and failed acres in order to establish or retain FSA program eligibility for some programs.

Producers should report crop acreage they intended to plant, but due to natural disaster, were prevented from planting. Prevented planting acreage must be reported on form CCC-576, Notice of Loss, no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA).

Contact your local FSA office for a list of final planting dates by crop.

If a producer is unable to report the prevented planting acreage within the 15 calendar days following the final planting date, a late-filed report can be submitted. Late-filed reports will only be accepted if FSA conducts a farm visit to assess the eligible disaster condition that prevented the crop from being planted. A measurement service fee will be charged.

Additionally, producers with failed acres should also use form CCC-576, Notice of Loss, to report failed acres.

Producers of hand-harvested crops must notify FSA of damage or loss through the administrative County Office within 72 hours of the date of damage or loss first becomes apparent. This notification can be provided by filing a CCC-576, email, fax or phone. Producers who notify the County Office by any method other than by filing the CCC-576 are still required to file a CCC-576, Notice of Loss, within the required 15 calendar days.

For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP), producers must file a Notice of Loss within 15 days of the occurrence of the disaster or when losses become apparent. Producers must timely file a Notice of Loss for failed acres on all crops including grasses.

CRP Routine Grazing and Managed Harvesting

Conservation Reserve Program (CRP) participants can utilize routine grazing and managed harvesting as outlined in their conservation plan. Managed harvesting and routine grazing are authorized under certain conditions to improve the quality and performance of the CRP cover.

Routine grazing is authorized every other year. Contracts approved prior to July 28, 2010, and still considered managed grazing can only participate in grazing one out of every three years.

Managed harvesting for hay is authorized no more frequently than one in three years.

Under normal conditions, managed haying and routine grazing can be requested at the local FSA office by the landowner or producer on the CRP contract. The same acreage cannot be hayed and grazed.
CRP acres must be considered fully established before haying or grazing can be authorized. In addition, haying or grazing CRP acres is not authorized during the primary nesting season. For Colorado, the primary nesting season is March 15 through July 15. **Producer must request approval before haying or grazing the acreage.**

For routine grazing, the authorization expires September 13 and all livestock must be removed by September 14. CRP participants must report the number of acres grazed to FSA by no later than October 10.

Before grazing eligible acreage, CRP participants must request approval and obtain a modified conservation plan to include routine grazing requirements. CRP participants are not permitted to graze any acreage hayed or grazed under managed or emergency provisions. Participants must report the number of acres routine grazed by Oct. 10, 2017.

For haying, the authorization expires September 30 and all hay bales must be completely removed from CRP contract acres by no later than November 12. CRP participants must report the number of acres hayed to FSA by no later than October 10. Haying is limited to one cutting.

Routine grazing and managed harvesting will result in an annual rental payment reduction of no less than 25 percent based on the number of acres actually grazed or harvested. Producers who qualify as a beginning farmer or rancher will not be assessed a payment reduction for grazing only.

All hayed and grazed acres are subject to FSA spot-check at any time during or after the authorization period.

**It is important to contact your local FSA office prior to any haying or grazing activities on CRP acres to ensure your contract remains in compliance.**

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**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.

To be effective for the current Fiscal Year (FY), farm combinations and farm divisions must be requested by **August 1 of the FY** for farms subject to the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. A reconstitution is considered to be requested when all:

- of the required signatures are on FSA-155
- other applicable documentation, such as proof of ownership, is submitted.

Total Conservation Reserve Program (CRP) and non-ARC/PLC farms may be reconstituted at any time.

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.
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.

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 $1,399,000. 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.

Farm Service Agency (FSA) and Risk Management Agency (RMA) to Prevent Fraud, Waste, and Abuse

FSA supports the RMA in the prevention of fraud, waste and abuse of the Federal Crop Insurance Program. FSA has been, and will continue to, assist RMA and insurance providers by monitoring crop conditions throughout the growing season. FSA will continue to refer all suspected cases of fraud, waste and abuse directly to RMA. Producers can report suspected cases to the county office staff, the RMA office or the Office of the Inspector General.

USDA Value Added Producer Grant Program from Rural Development

USDA’s Value Added Producer Grant Program helps agricultural producers with value-added activities to generate new products, expand marketing opportunities and increase their income. Grant and matching funds can be used for planning activities or for working capital expenses. Independent producers, agricultural producer groups, farmer- or rancher-cooperatives, and majority-controlled producer-based business ventures, as defined in the program regulation are eligible to apply for this program. Applicants may receive priority if they 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 and the application window may be opening up shortly. Applicants are encouraged to start working on their application early. In
order to apply you will need a Data Universal Number System (DUNS) number if your organization doesn't already have one. Applicants must also register your organization with the System for Award Management (SAM) if you aren’t already registered. The registration is free, but you need to complete several steps. It’s a good idea to start both of these registration processes at least a month before any application deadline. More information can be found on our website at www.rd.usda.gov/programs-services/value-added-producer-grants or by contacting PJ Howe at (970) 329-3151, p.j.howe@co.usda.gov.

Important Dates to Remember and Interest Rate for July

Important FSA Dates to Remember:

- **NOW!!** - File form CCC-633 EZ page 1 with FSA before losing beneficial interest to maintain Loan Deficiency Payment (LDP) eligibility. (To request payments, producers need to submit page 2 of the CCC-633EZ)
- **July 15:** Last day of CRP Primary Nesting Season
- **July 15:** 2017 Acreage Reporting Deadline for Spring Seeded Alfalfa Seed, Forage Seeding, Conservation Reserve Program (CRP), all Spring-Seeded Crops and all other crops
- **July 16:** 2017 CRP Summer/Fall Grazing Period Begins (with prior written approval)
- **July 16:** 2017 CRP Managed Routine Harvesting Period Begins (with prior written approval)
- **Aug. 1:** Deadline for 2017 Agriculture Risk Coverage (ARC) & Price Loss Coverage (PLC) Enrollment
- **Aug. 1:** 2017 FSA County Committee Election Nomination Period Deadline
- **Aug. 1:** Last day to request farm transfers for FY’ 2017
- **Sept. 14:** 2017 CRP Summer/Fall Grazing Period Ends
- **Sept. 30:** 2017 CRP Managed Harvesting Period Ends
- **Sept. 1:** 2018 NAP Application Closing Date for Value-Loss Crops such as nursery, Asparagus, Caneberries, Canola, Garlic, Rye, Speltz, Triticale, Christmas trees, Grass Sod, Aquaculture, Floriculture.
- **Sept. 30:** 2018 NAP Application Closing Date for Spring and Winter Barley and Wheat
- **Nov 12** – Last day to remove hay bales from CRP
- **Nov. 20** – 2018 NAP Application Closing Date for Apples, Apricots, Cherries, Grapes, Hops, Nectarines, Peaches, Pears, Plums and Prunes
- **Dec. 1** – 2018 NAP Application Closing Date for Alfalfa, Clover, Grass, Honey, Mixed Forage, Mustard and Vetch

For more information about FSA programs, contact your local FSA office.

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; the normal harvest date.
- **NAP:** For hand-harvested crops, producer must notify County Office within 72 hours of the date of damage or loss first became apparent.
- **NAP:** Application for Payment must be filed no later than 60 calendar days after the coverage period ends for the pay crop.
- **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

July FSA Interest Rate:

- Farm Operating: 2.875%
- Farm Ownership: 3.875%
- Farm Ownership - Joint Financing: 2.500%
- Farm Ownership - Down Payment: 1.500%
- Emergency - Actual Loss: 3.75%
- Farm Storage Facility Loan 3 year term: 1.50%
- Farm Storage Facility Loan 5 year term: 1.750%
- Farm Storage Facility Loan 7 year term: 2.000%
- Farm Storage Facility Loan 10 year term: 2.250%
• Farm Storage Facility Loan 12 year term: 2.250%
• Sugar Storage Facility Loan 15 year term: 2.375%

Commodity Loan: 2.125%