February 2015

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Delaware FSA Newsletter

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Program Deadlines Approach

Dates associated with ARC and PLC that farm owners and producers need to know:

- **Now through Feb. 27, 2015**: Farm owners may visit their local Farm Service Agency office to update yield history and/or reallocate base acres.
- **Now through March 31, 2015**: Producers make a one-time election between ARC and PLC for the 2014 through 2018 crop years.
- **Mid-April 2015 through summer 2015**: Producers sign contracts for 2014 and 2015 crop years.
- **October 2015**: Payments issued for 2014 crop year, if needed.

What’s Up? A look into the 2014 Farm Bill

ARC/PLC

The Farm Bill provides landowners with the option of updating their farm program payment yields. FSA has worked with the Risk Management Agency (RMA) to make available certified yield data that producers can use to better calculate how the new safety net
programs can offer the best protection against market swings. The Agricultural Risk Coverage (ARC) and Price Loss Coverage (PLC) programs, established under the 2014 Farm Bill, are cornerstones of commodity farm safety, offering farmers protection when market forces cause substantial drops in crop prices and revenues. To learn more about which safety net options are most appropriate for specific farming operations, farmers can use new Web tools at www.fsa.usda.gov/arc-plc, which can be accessed from the convenience of a home computer or a mobile device at any time.

**Conservation Compliance**

For farmers to be eligible for premium support on their federal crop insurance, a completed and signed form AD-1026, Highly Erodible Land Conservation and Wetland Conservation Certification must be on file with the FSA. When a farmer completes and submits the AD-1026 certification form, FSA and NRCS staff will review the associated farm records and outline any additional actions that may be required.

FSA recently released a revised form AD-1026, which is available at USDA Service Centers and online at: www.fsa.usda.gov.

**NAP: Offering New Protections**

Greater protection is now available from the Noninsured Crop Disaster Assistance Program (NAP) for crops that historically have been ineligible for federal crop insurance. The new options, created by the 2014 Farm Bill, provide greater coverage for losses when natural disasters affect specialty crops such as vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, and energy crops.

Previously, the program offered coverage at 55 percent of the average market price for crop losses that exceed 50 percent of expected production. Producers can now choose higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price.

The expanded protection will be especially helpful to beginning and socially disadvantaged producers, as well as farmers with limited resources, who will receive fee waivers and premium reductions for expanded coverage. More crops are now eligible for the program, including expanded aquaculture production practices, and sweet and biomass sorghum. For the first time, a range of crops used to produce bioenergy will be eligible as well.

To help producers learn more about the NAP and how it can help them, USDA, in partnership with Michigan State University and the University of Illinois, created an online resource. The Web tool, available at www.fsa.usda.gov/nap, allows producers to determine whether their crops are eligible for coverage. It also gives them an opportunity to explore a variety of options and levels to determine the best protection level for their operation.

To learn more, visit the Farm Service Agency (FSA) website at
Fax: (855) 401-1964

Office Hours
Monday - Friday
8:00am - 4:30pm

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www.fsa.usda.gov/nap or contact your local FSA office at offices.usda.gov. The Farm Service Agency (FSA), which administers the program, also wants to hear from producers and other interested stakeholders who may have suggestions or recommendations on the program. Written comments will be accepted until Feb. 13, 2015 and can be submitted through www.regulations.gov.

Did You Know

*Power of Attorney* - For those who find it difficult to visit the county office because of work schedules, distance, health, etc…, FSA has a power of attorney form available that allows producers to designate another person to conduct business at the office.

*Bank Account Changes* - In order for timely payments to be made, producers need to notify the FSA county office when an account has been changed or if another financial institution purchases the bank where payments are sent. Payments can be delayed if the FSA office is not aware of updates to bank accounts and routing numbers.

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

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**Fruit, Vegetable and Wild Rice Planting Rules Change**

Farm Service Agency (FSA) has announced fruit, vegetable and wild rice provisions that affect producers who intend to participate in certain programs authorized by the Agricultural Act of 2014.

Producers who intend to participate in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs are subject to an acre-for-acre payment reduction when fruits and nuts, vegetables or wild rice are planted on the payment acres of a farm. Payment reductions do not apply to mung beans, dry peas, lentils or chickpeas. Planting fruits, vegetables or wild rice on acres that are not considered payment acres will not result in a payment reduction. Farms that are eligible to participate in ARC/PLC but are not enrolled for a particular year may plant unlimited fruits, vegetables and wild rice for that year but will not receive ARC/PLC payments for that year. Eligibility for succeeding years is not affected.

Planting and harvesting fruits, vegetables and wild rice on ARC/PLC acreage is subject to the acre-
for-acre payment reduction when those crops are planted on either more than 15 percent of the base acres of a farm enrolled in ARC using the county coverage or PLC, or more than 35 percent of the base acres of a farm enrolled in ARC using the individual coverage.

Fruits, vegetables and wild rice that are planted in a double-cropping practice will not cause a payment reduction if the farm is in a double-cropping region as designated by the USDA’s Commodity Credit Corporation.

Acreage Reporting Dates

Delaware 2015 Acreage Reporting Dates

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

The following acreage reporting dates are applicable:

May 15, 2015: Peas (Green only), potatoes
July 15, 2015: Beans (Limas Only), Cucumbers Planted 4/20-6/25 Kent,Sussex New Castle
August 15, 2015: Beans (all except Limas - planted 4/20-8/10), Cucumbers Planted 6/26-8/10 Kent,Sussex New Castle
December 15, 2015: Fall-seeded Small grains

The following exceptions apply to the above acreage reporting dates:

- 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.
- 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 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 County FSA office:

- New Castle - (302)832-3100
- Kent - (302)741-2600
- Sussex - (302)856-3990

Are You Eligible, 2014 MAL and LDP Requests

The USDA Farm Service Agency (FSA) is accepting requests for marketing assistance loans.
(MALs) and loan deficiency payments (LDPs) for eligible 2014 commodities.

MALs and LDPs for the 2014 crop year become available to eligible producers beginning with harvest/shearing season and extending through a specific commodity’s final loan availability date. Sugar commodity loans for the 2014 crop became available to sugar processors on Oct. 1, 2014.

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.

Before MAL repayments and 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.

Please contact your local FSA office for additional eligibility requirements.

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.

**Final Availability Dates for Marketing Assistance Loans & Loan Deficiency Payments**

- January 31, 2015 - Mohair, Peanuts, Unshorn Pelts (LDP only), Wool
- March 31, 2015 - Barley, Canola, Crambe, Flaxseed, Honey, Oats, Rapeseed, Wheat, Sesame Seed
- May 31, 2015 - Corn, Dry Peas, Grain Sorghum, Lentils, Mustard Seed, Rice, Safflower Seed, Chickpeas, Soybeans, Sunflower Seed

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For more information, please visit a nearby USDA Service Center or FSA’s website...
FYI: FSA Loan Programs

Youth Loans

The Farm Service Agency makes loans to youth to establish and operate agricultural income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is $5000.

Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA’s general eligibility requirements
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor.

The project supervisor must recommend the youth loan applicant, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms.

Beginning Farmer Loans

FSA assists beginning farmers to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county’s average size farm.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit [www.fsa.usda.gov](http://www.fsa.usda.gov).

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).