May 2016

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Georgia State FSA Newsletter

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USDA Announces Conservation Reserve Program Results

More Than 800,000 Acres Selected Through Highly Competitive Application Rounds

USDA announced the enrollment of more than 800,000 acres in the Conservation Reserve Program (CRP). Through CRP, the U.S. Department of Agriculture (USDA) helps farmers offset the costs of restoring, enhancing, and protecting certain grasses, shrubs, and trees that improve water quality, prevent soil erosion, and strengthen wildlife habitat. Farmers’ and ranchers’ participation in CRP continues to provide numerous benefits to our nation, including helping reduce emissions of harmful greenhouse gases and providing resiliency to future weather changes.

A nationwide acreage limit was established for this program in the 2014 Farm Bill, capping the total
number of acres that may be enrolled at 24 million for fiscal years 2017 and 2018. At the same time, USDA has experienced a record demand from farmers and ranchers interested in participating in the voluntary program. As of March 2016, 23.8 million acres were enrolled in CRP, with 1.7 million acres set to expire this fall.

Over three million acres have been offered for enrollment this year across the three main categories within CRP, with USDA’s Farm Service Agency (FSA) receiving over 26,000 offers to enroll more than 1.8 million acres during the general enrollment period, and over 4,600 offers to enroll more than one million acres in the new CRP Grasslands program. Coming off a record-setting 2015 continuous enrollment of over 860,000 acres, more than 364,000 acres already have been accepted for 2016 in the CRP continuous enrollment, triple the pace of last year.

FSA will accept 411,000 acres in general enrollment, the most competitive selection in the history of the program, with the acreage providing record high conservation benefits. USDA selected offers by weighing environmental factors plus cost, including wildlife enhancement, water quality, soil erosion, enduring benefits, and air quality.

The results of the first-ever enrollment period for CRP Grasslands, FSA will also accept 101,000 acres in the program, providing participants with financial assistance for establishing approved grasses, trees, and shrubs on pasture and rangeland that can continue to be grazed. More than 70 percent of these acres are diverse native grasslands under threat of conversion, and more than 97 percent of the acres have a new, veteran or underserved farmer or rancher as a primary producer. FSA continues to accept CRP Grasslands offers and will conduct another ranking period later this year.

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. Contract duration is between 10 and 15 years.
USDA Offers New Loans for Portable Farm Storage and Handling Equipment

Portable Equipment Can Help Producers, including Small-Scale and Local Farmers, Get Products to Market Quickly

USDA's Farm Service Agency (FSA) will provide a new financing option to help farmers purchase portable storage and handling equipment. The loans, which now include a smaller microloan option with lower down payments, are designed to help producers, including new, small, and mid-sized producers, grow their businesses and markets.

The program also offers a new “microloan” option, which allows applicants seeking less than $50,000 to qualify for a reduced down payment of five percent and no requirement to provide three years of production history. Farms and ranches of all sizes are eligible. The microloan option is expected to be of particular benefit to smaller farms and ranches, and specialty crop producers who may not have access to commercial storage or on-farm storage after harvest. These producers can invest in equipment like conveyers, scales or refrigeration units and trucks that can store commodities before delivering them to markets. Producers do not need to demonstrate the lack of commercial credit availability to apply.

Earlier this year, FSA significantly expanded the list of commodities eligible for Farm Storage Facility Loan. Eligible commodities now include aquaculture; floriculture; fruits (including nuts) and vegetables; corn, grain sorghum, rice, oilseeds, oats, wheat, triticale, spelt, buckwheat, lentils, chickpeas, dry peas sugar, peanuts, barley, rye, hay, honey, hops, maple sap, unprocessed meat and poultry, eggs, milk, cheese, butter, yogurt and renewable biomass. FSFL microloans can also be used to finance wash and pack equipment used post-harvest, before a commodity is placed in cold storage.

To learn more about Farm Storage Facility Loans, visit [www.fsa.usda.gov/pricesupport](http://www.fsa.usda.gov/pricesupport) or contact a local FSA county office. To find your local FSA county office, visit [http://offices.usda.gov](http://offices.usda.gov).

USDA Establishes New Partnerships to Link Underserved Farmers to FSA Programs

Minority, Women, New and Beginning, Military Veteran and Urban Producers to Receive Training and Information on Agency Services

USDA announced cooperative agreements with 55 partners to educate farmers and other producers that have been historically underserved by USDA programs about Farm Service Agency (FSA) programs that provide financial, disaster, or technical support. Nearly $2.5 million will go to nonprofits, associations, universities, and foundations that will provide training and information on agricultural best practices, local networking opportunities, and more.
FSA, which solicited applications last fall, received nearly 100 proposals that requested over $9 million in funding. Cooperative agreements, encompassing more than 28 states, will be between $20,000 and $75,000 each and several involve multi-state or national efforts. A list of awardees can be found at www.fsa.usda.gov/outreach.

FSA also announced today that it is accepting proposals for consideration in the second evaluation period. Applications are due no later than July 11, 2016. Projects not selected during the first evaluation period will be reconsidered during the second period. Additional information on the funding solicitation and the related FSA programs can be found at www.grants.gov using reference number USDA-FSA-CA-2016-001. For nonprofits and public institutions of higher education that are considering participation, a recording of the online informational session held with stakeholders is posted on the web at www.fsa.usda.gov/outreach.

2016 Acreage Reporting Dates

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

The following upcoming acreage reporting dates are applicable for the entire state of Georgia -

May 15, 2016: Sweet Corn (planted 1/1/16 thru 5/15/16); Tobacco, and Tomatoes (planted 1/1/16 thru 4/5/16)

July 15, 2016: ALL other crops for which a specific reporting deadline is not established – generally this includes most spring/summer-seeded row crops (but is not limited to) corn, cotton, CRP, grain sorghum, peanuts, soybeans

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 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 15. 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.

Attention Georgia NAP Participants

Effective for the 2017 crop year, the application closing dates for the following crops have been amended to agree with current RMA policies:
7/1/2016 for Cabbage, Turnip Greens, Kale, Broccoli, Brussel Sprouts, and Collards
7/31/2016 for Sweet Corn

Enrollment Period for 2016 USDA Safety Net Coverage Ends August 1

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 visit FSA county offices through August 1, 2016, to sign contracts to enroll in coverage for 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](http://www.fsa.usda.gov/arc-plc).

MAL and LDP Policy Changes for Crop Years 2015-2018

The Agricultural Act of 2014 authorized 2014-2018 crop year Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs), with a few minor policy changes.

Among the changes, farm-stored MAL collateral transferred to warehouse storage will retain the original loan rate, be allowed to transfer only the outstanding farm-stored quantity with no additional quantity allowed, and will no longer require producers to have a paid for measurement service when moving or commingling loan collateral.

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.

FSA is now accepting requests for 2015 MALs and LDPs for all eligible commodities after harvest.

Before MAL repayments with a market loan gain or 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.

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. Producers must have a valid CCC-941 on file to earn a market gain of LDP.

For more information and additional eligibility requirements, please visit a nearby USDA Service Center or FSA’s website www.fsa.usda.gov.

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

- May 31, 2016 - Corn, Dry Peas, Grain Sorghum, Lentils, Mustard Seed, Rice, Safflower Seed, Chickpeas, Soybeans, Sunflower Seed

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**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) is offering farm ownership microloans, creating a new financing avenue for farmers to buy and improve property. These microloans are 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](http://www.fsa.usda.gov/microloans), or contact your local FSA office. To find your nearest office location, please visit [http://offices.usda.gov](http://offices.usda.gov).

**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.

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).