April 2016

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Illinois FSA Newsletter

Illinois Farm Service Agency
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Springfield, IL 62711
www.fsa.usda.gov/il

State Committee:
Jill Appell - Chair
Brenda Hill - Member
Jerry Jimenez - Member
Joyce Matthews - Member
Gordon Stine - Member

USDA Regional Climate Change Hubs

Agriculture Secretary Tom Vilsack established the first ever USDA Regional Climate Change Hubs in February 2014 at seven locations around the country to provide more information to farmers, ranchers and forest landowners on the increasing risks of fires, pests, floods, and droughts associated with a changing climate. For general information on Climate Hubs, visit http://www.climatehubs.oea.usda.gov/sites/default/files/USDA%20Regional%20Hubs%20for%20Risk%20Adaptation%20and%20Mitigation%20to%20Climate%20Change%202015.pdf For information on the Climate Hub in your Region, visit http://climatehubs.oea.usda.gov and Click on the region to learn more.
Changing Administrative Counties

Producers who wish to transfer their farm records to a different administrative county for Fiscal Year (FY) 2016 must file a request no later than August 1, 2016. Restrictions do apply when transferring to an office other than the county in which the land is physically located. Contact your local FSA office for more information.

USDA Financial Assistance Available to Help Organic Farmers Create Conservation Buffers

USDA is assisting organic farmers with the cost of establishing up to 20,000 acres of new conservation buffers and other practices on and near farms that produce organic crops.

The financial assistance is available from the USDA Conservation Reserve Program (CRP), a federally funded voluntary program that contracts with agricultural producers so that environmentally sensitive land is not farmed or rangled, but instead used for conservation benefits. CRP participants 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. In return, FSA provides participants with rental payments and cost-share assistance. Contract duration is between 10 and 15 years.

For conservation buffers, funds are available for establishing shrubs and trees, or supporting pollinating species, and can be planted in blocks or strips. Interested organic producers can offer eligible land for enrollment in this initiative at any time.

Other USDA FSA programs that assist organic farmers include:

- The Noninsured Crop Disaster Assistance Program that provides financial assistance for 55 to 100 percent of the average market price for organic crop losses between 50 to 65 percent of expected production due to a natural disaster.
• Marketing assistance loans that provide interim financing to help producers meet cash flow needs without having to sell crops during harvest when market prices are low, and deficiency payments to producers who forgo the loan in return for a payment on the eligible commodity.

• A variety of loans for operating expenses, ownership or guarantees with outside lenders, including streamlined microloans that have a lower amount of paperwork.

• Farm Storage Facility Loans that provide low-interest financing to build or upgrade storage facilities for organic commodities, including cold storage, grain bins, bulk tanks and drying and handling equipment.

• Services such as mapping farm and field boundaries and reporting organic acreage that can be provided to a farm’s organic certifier or crop insurance agent.

Visit www.fsa.usda.gov/organic to learn more about how FSA can help organic farmers. For an interactive tour of CRP success stories, visit www.fsa.usda.gov/CRPis30 or follow #CRPis30 on Twitter. To learn more about FSA programs visit a local FSA office or www.fsa.usda.gov. To find your local FSA office, visit http://offices.usda.gov.

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**Maintaining the Quality of Loaned Grain**

Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

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**Conduct USDA Business Online by Creating an eauthentication Account**

The Internet allows you, the customer, access to USDA information 24 hours a day, seven days a week. You can fill out and submit electronic forms (eForms) any time of the day or night from anywhere you have Internet access. This new service delivery option allows you to complete and file your own forms or applications online, because your signature is already electronically "on file."

Information submitted to the Federal Government remains safe and secure because every customer has a unique User ID and password; only authorized USDA employees can access your information. It's safe, saves paper, saves a visit to your local USDA Service Center and provides electronic tracking of all your USDA transactions.

**How to Sign Up for eAuth :**

Begin the process by reviewing the information at the USDA Website https://www.eauth.usda.gov. This website describes the services available for Level 1 and Level 2 Accounts. Level 1 and Level 2 accounts require that you have an email address so you can register, create a customer profile, and be able to respond to a confirmation email. Level 1 Accounts do not require you to provide proof of your identity at a local USDA Service Center. Level 1 Accounts provide limited access to certain
USDA Web site portals that require no authentication or authorization. A Level 2 Account does require a visit to a USDA Service Center with proof of your identity. That is because a Level 2 account allows you access to complete and submit documents and forms electronically.

LEVEL 1 ACCOUNT

STEP 1. To obtain a Level 1 Account, you may self-register online at www.eauth.egov.usda.gov. Scroll down and click on the button that says “Sign Up for a Level 1 Account.” Complete the brief customer profile.

STEP 2. You will receive a confirmation email, and you must respond to it within 7 days to activate your account.

LEVEL 2 ACCOUNT

STEP 1. To obtain a Level 2 Account, you must complete an 18 question customer profile and prove your identity by presenting state or federal photo ID at a local USDA Service Center. Go to www.eauth.egov.usda.gov, scroll down and click on “Sign Up for a Level 2 Account.” Complete your customer profile, which includes designating your user ID and password created by you, contact information and email information. The data you enter in your customer profile must match the data on the document you use as identification at your local USDA Service Center. Example: Your first and last names and address must match the government-issued photo ID you plan to use to prove your identity. Identify proof can only be verified by one of the following documents: Current State Driver’s License, State Photo ID, US Military ID, or United States Passport.

STEP 2. After completing your customer profile and submitting it online, you will receive a confirmation email, and you must respond to it within 7 days to activate your account.

STEP 3. Then you must complete the “Identify Proofing” process by visiting a local USDA Service Center. You will be required to present the eligible photo ID to an USDA employee who will verify your identity and enter the expiration date of the ID document used.

STEP 4. The USDA employee then will update your customer profile to a Level 2 Account. You will have access to USDA online applications and forms within one hour of your account being updated.

You now have access to complete and submit documents and forms electronically. USDA continues to update and make more forms and programs available electronically.
2016 Acreage Reporting Date

Producers who file accurate and timely reports for all crops and land uses, including failed acreage can prevent the potential loss of FSA program benefits. Please pay close attention to the acreage reporting dates below, as some dates have changed.

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

The following 2016 acreage reporting dates are applicable for Illinois:

- September 30, 2015       aquaculture, Christmas trees, turfgrass sod, floriculture
- December 15, 2015        perennial forage (with an intended use of haying or grazing), fall-seeded small grains
- January 2, 2016          honey
- January 15, 2016         apples, asparagus, blueberries, caneberries, cherries, grapes, nectarines, peaches, pears, plums, strawberries
- June 15, 2016            cucumbers (planted 5/1 – 5/31) in Gallatin, Lawrence, and White Counties
- July 15, 2016            cabbage (planted 3/15 – 5/31), perennial forage (with an intended use of cover only, green manure, left standing, or seed and all other crops
- August 15, 2016          cabbage (planted 6/1 – 7/20)
- September 15, 2016       cucumbers (planted 6/1 – 8/15) in Gallatin, Lawrence, and White Counties

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, 2016. 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.

If filing for prevented planting, an acreage report and CCC-576 must be filed within 15 calendar days of the final planting date for the crop.
Reporting Organic Crops

Producers who want to use the Noninsured Crop Disaster Assistance Program (NAP) organic price and selected the "organic" option on their NAP application must report their crops as organic.

When certifying organic acres, the buffer zone acreage must be included in the organic acreage.

Producers must also provide a current organic plan, organic certificate or documentation from a certifying agent indicating an organic plan is in effect. Documentation must include:

- name of certified individuals
- address
- telephone number
- effective date of certification
- certificate number
- list of commodities certified
- name and address of certifying agent
- a map showing the specific location of each field of certified organic, including the buffer zone acreage

Certification exemptions are available for producers whose annual gross agricultural income from organic sales totals $5,000 or less. Although exempt growers are not required to provide a written certificate, they are still required to provide a map showing the specific location of each field of certified organic, transitional and buffer zone acreage.

For questions about reporting organic crops, contact your local FSA office. To find your local office, visit http://offices.usda.gov.

Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP)

ELAP provides emergency assistance to eligible producers of livestock, honeybees and farm-raised fish that have losses due to disease, adverse weather, or other conditions, such as blizzards and wildfires.

Producers who suffer eligible livestock, honeybee, or farm-raised fish losses from October 1, 2015 to September 30, 2016 must file:

- A notice of loss the earlier of 30 calendar days of when the loss is apparent or by November 1, 2016
- An application for payment by November 1, 2016

The Farm Bill caps ELAP disaster funding at $20 million per federal fiscal year.

To view ELAP Farm-Raised Fish, ELAP for Livestock or ELAP for Honeybee fact sheets visit the FSA fact sheet web page at www.fsa.usda.gov/factsheets.
**Loan Servicing**

There are options for Farm Service Agency loan customers during financial stress. If you are a borrower who is unable to make payments on a loan, contact your local FSA Farm Loan Manager to learn about the options available to you.

**MAL’s Available for Crop Years 2015-2018**

The 2014 farm bill authorizes 2014-2018 crop year Marketing Assistance Loans (MAL’s).

MALs provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, 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.

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

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: ARC PLC, marketing loan gains (MLGs) and LDPs. These payment limitations do not apply to MAL loan disbursements.

For more information and additional eligibility requirements, please visit a nearby USDA Service Center or FSA’s website [www.fsa.usda.gov](http://www.fsa.usda.gov).

**Livestock Indemnity Program (LIP)**

The Livestock Indemnity Program (LIP) provides assistance to eligible producers for livestock death losses in excess of normal mortality due to an extreme or abnormal adverse weather event and/or attacks by animals reintroduced into the wild by the federal government or protected by federal law. LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to hurricanes, floods, blizzards, wildfires, extreme heat or extreme cold.

For 2016, eligible losses must occur on or after Jan. 1, 2016, and before December 31, 2016. A notice of loss must be filed with FSA within 30 days of when the loss of livestock is apparent. Participants must provide the following supporting documentation to their local FSA office no later than 30 calendar days after the end of the calendar year for which benefits are requested:

- Proof of death documentation
- Copy of growers contracts
- Proof of normal mortality documentation
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.

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.

Value Added Producer Grants Available

Application Deadline is July 1, 2016

Approximately $44 million in funding is available to help agricultural producers enter into value-added activities for FY 2016.

The grants help agricultural producers increase their income by expanding marketing opportunities, creating new products or developing new uses for existing products.

The maximum grant award is $250,000 for working capital and $75,000 for planning. Planning grants can be used to facilitate economic planning activities to determine the viability of a value-added venture, and may include costs for an independent feasibility study and development of a marketing and business plan. Working capital grants are used for operational costs directly related to processing and/or marketing of the value-added product.

USDA Rural Development has provided funding for a wide variety of value-added agriculture projects involving locally produced and marketed foods. These include cheese, wine, reduced-cholesterol dairy products, produce, packaged poultry, pork and beef products, and a variety of processed or prepared foods from locally grown fruits and vegetables.
Applications must be submitted to USDA Rural Development by July 1, 2016, in order to be considered for funding.

For more information contact Matthew Harris at 217-403-6211 or Matthew.harris@il.usda.gov

April Interest Rates and Important Dates to Remember

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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).