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Farm Service Agency **Electronic News Service**

NEWSLETTER

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Indiana Farm Service Agency Program Updates

Indiana Farm Service Agency

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Indiana Farm Service Agency Welcomes Our New State Executive Director, Steve Brown

The Trump Administration recently appointed Steve Brown as the new State Executive Director (SED) for the USDA Indiana Farm Service Agency (FSA). Brown joined the Indiana FSA team on Monday, Oct. 30.

Brown has a strong background in agriculture and is familiar with FSA programs. He is a former USDA employee with 32 years of experience working in Porter and Carroll counties as well as the Indiana FSA State Office. Along with working for USDA, Brown spent over 30 years working on the family farm. Brown offers a wide range of farm program experience and looks forward to assisting farmers in Indiana.

As SED, Brown will use his leadership experience to oversee FSA programs in a customer-focused manner to ensure a safe, affordable, abundant and nutritious food supply for consumers.

Indiana Producers Reminded of December 4 Deadline to Submit Ballots for Farm Service Agency County Committee Elections

The U.S. Department of Agriculture (USDA) Indiana Farm Service Agency (FSA) reminds farmers and other agricultural producers that FSA county committee elections began Nov. 6, with the mailing of ballots. Eligible voters must return ballots to their local FSA offices by Dec. 4, 2017, to ensure that their vote is counted. Producers who have not received their ballot should pick one up at their local FSA office.

Ballots returned by mail must be postmarked no later than Dec. 4, 2017. Newly elected committee members will take office Jan. 1, 2018.

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Nearly 7,700 FSA county committee members serve FSA offices nationwide. Each committee has three to 11 elected members who serve three-year terms of office. One-third of county committee seats are up for election each year. County committee members apply their knowledge and judgment to help FSA make important decisions on its commodity support programs, conservation programs, indemnity and disaster programs, and emergency programs and eligibility.

Producers must participate or cooperate in an FSA program to be eligible to vote in the county committee election. Approximately 1.5 million producers are currently eligible to vote. Farmers who supervise and conduct the farming operations of an entire farm, but are not of legal voting age, also may be eligible to vote.

For more information, visit the FSA website at www.fsa.usda.gov/elections. You may also contact your local USDA service center or FSA office. Visit <http://offices.usda.gov> to find an FSA office near you.

USDA Announces Enrollment Period for Safety Net Coverage in 2018

Farmers with base acres in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) safety net program may enroll for the 2018 crop year. The enrollment period will end on Aug. 1, 2018.

Since shares and ownership of a farm can change year-to-year, producers must enroll by signing a contract each program year.

The producers on a farm that are not enrolled for the 2018 enrollment period will not be eligible for financial assistance from the ARC or PLC programs for the 2018 crop should crop prices or farm revenues fall below the historical price or revenue benchmarks established by the program. Producers who made their elections in previous years must still enroll during the 2018 enrollment period.

The ARC and PLC 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.

For more information, producers are encouraged to visit their local FSA office.

Dairy Producers Can Enroll for 2018 Coverage

Secretary Allows Producers to Opt Out

Dairy producers can enroll for 2018 coverage in the Margin Protection Program (MPP-Dairy). Secretary Sonny Perdue has utilized additional flexibility this year by providing dairy producers the option of opting out of the program for 2018.

To opt out, a producer should not sign up during the annual registration period. By opting out, a producer would not receive any MPP-Dairy benefits if payments are triggered for 2018. Full details will be included in a subsequent Federal Register Notice. The decision would be for 2018 only and is not retroactive.

The voluntary program, established by the 2014 Farm Bill, provides financial assistance to participating dairy producers when the margin – the difference between the price of milk and feed costs – falls below the coverage level selected by the producer.

MPP-Dairy gives participating dairy producers the flexibility to select coverage levels best suited for their operation. Enrollment ends on Dec. 15, 2017, for coverage in calendar year 2018. Participating farmers will remain in the program through Dec. 31, 2018, and pay a minimum \$100 administrative fee for 2018 coverage. Producers have the option of selecting a different coverage level from the previous coverage year during open enrollment.

Dairy operations enrolling in the program must meet conservation compliance provisions and cannot participate in the Livestock Gross Margin Dairy Insurance Program. Producers can mail the appropriate form to the producer's administrative county FSA office, along with applicable fees, without necessitating a trip to the local FSA office. If electing higher coverage for 2018, dairy producers can either pay the premium in full at the time of enrollment or pay 100 percent of the premium by Sept. 1, 2018. Premium fees may be paid directly to FSA or producers can work with their milk handlers to remit premiums on their behalf.

USDA has a web tool to help producers determine the level of coverage under the MPP-Dairy that will provide them with the strongest safety net under a variety of conditions. The online resource, available at www.fsa.usda.gov/mpptool, allows dairy farmers to quickly and easily combine unique operation data and other key variables to calculate their coverage needs based on price projections. Producers can also review historical data or estimate future coverage based on data projections. The secure site can be accessed via computer, Smartphone, tablet or any other platform, 24 hours a day, seven days a week.

For more information, visit FSA online at www.fsa.usda.gov/dairy or stop by a local FSA office to learn more about the MPP-Dairy.

Annual Review of Payment Eligibility for New Crop Year

All participants of FSA programs who request program benefits are required to submit a completed CCC-902 (Farming Operation Plan) and CCC-941 Average Gross Income (AGI) Certification and Consent to Disclosure of Tax Information to be considered for payment eligibility and payment limitation applicable for the program benefits.

Participants are not required to annually submit new CCC-902s for payment eligibility and payment limitation purposes unless a change in the farming operation occurs that may affect the determination of record. A valid CCC-902 filed by the participant is considered to be a continuous certification used for all payment eligibility and payment limitation determinations applicable for the program benefits requested.

Participants are responsible for ensuring that all CCC-902 and CCC-941 and related forms on file in the county Office are correct at all times. Participants are required to timely notify the county office of any changes in the farming operation that may affect the determination of record by filing a new or updated CCC-902 as applicable.

Changes that may require a NEW determination include, but are not limited to, a change of:

- Shares of a contract, which may reflect:
 - A land lease from cash rent to share rent
 - A land lease from share rent to cash rent (subject to the cash rent tenant rule)
 - A modification of a variable/fixed bushel-rent arrangement
- The size of the producer's farming operation by the addition or reduction of cropland that may affect the application of a cropland factor
- The structure of the farming operation, including any change to a member's share
- The contribution of farm inputs of capital, land, equipment, active personal labor, and/or active personal management
- Farming interests not previously disclosed on CCC-902 including the farming interests of a spouse or minor child

- Financial status that may affect the 3-year average for the determination of average AGI or other changes that affects eligibility under the average adjusted gross income limitations.

Participants are encouraged to file or review these forms within the deadlines established for each applicable program for which program benefits are being requested.

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.

USDA Announces Conservation Opportunities to Improve Water Quality

FSA has an option available to CRP participants who wish to add a component to existing CRP buffer practices to improve water quality. The conservation initiative known as Clean Lakes, Estuaries and Rivers (CLEAR) added new tools to CRP that can help to improve water quality. CLEAR will assist landowners with the cost of building bioreactors and saturated buffers that filter nitrates and other nutrients from tile-drained cropland. Early estimates indicate that CLEAR could help to reduce nitrate runoff by as much as 40 percent over traditional conservation methods. CLEAR may cover up to 90 percent of the cost to install these new practices through incentives and cost-share. These new methods are especially important in areas where traditional buffers have not been enough to prevent nutrients from reaching bodies of water.

USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning Farmers

The USDA Farm Service Agency (FSA) reminds producers that FSA offers targeted farm ownership and farm operating loans to assist underserved applicants as well as beginning farmers and ranchers.

USDA defines underserved applicants as a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. For farm loan program purposes, targeted underserved groups are women, African Americans, American Indians and Alaskan Natives, Hispanics and Asians and Pacific Islanders.

Underserved or beginning farmers and ranchers who cannot obtain commercial credit from a bank can apply for either FSA direct loans or guaranteed loans. Direct loans are made to applicants by FSA. Guaranteed loans are made by lending institutions who arrange for FSA to guarantee the loan. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. The FSA guarantee allows lenders to make agricultural credit available to producers who do not meet the lender's normal underwriting criteria.

The direct and guaranteed loan program provides for two types of loans: farm ownership loans and farm operating loans. In addition to customary farm operating and ownership loans, FSA now offers Microloans through the direct loan program. The focus of Microloans is on the financing needs of small, beginning farmer, niche and non-traditional farm operations. Microloans are available for both ownership and operating finance needs. To learn more about microloans, visit www.fsa.usda.gov/microloans.

To qualify as a beginning producer, the individual or entity must meet the eligibility requirements outlined for direct or guaranteed loans. Additionally, individuals and all entity members must have operated a farm for less than 10 years. Applicants must materially or substantially participate in the operation.

For more information on FSA's farm loan programs and targeted underserved and beginning farmer guidelines, visit www.fsa.usda.gov/farmloans.

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.

Payment Limitation

Program payments are limited by direct attribution to individuals or entities. A legal entity is defined as an entity created under Federal or State law that owns land or an agricultural commodity, product or livestock. Through direct attribution, payment limitation is based on the total payments received by the individual, both directly and indirectly. Qualifying spouses are eligible to be considered separate persons for payment limitation purposes, rather than being automatically combined under one limitation.

Payments and benefits under certain FSA programs are subject to some or all of the following:

- payment limitation by direct attribution
- payment limitation amounts for the applicable programs
- actively engaged in farming requirements
- cash-rent tenant rule
- foreign person rule
- average AGI limitations
- programs subject to AGI limitation
- effective date of implementation of AGI limitation

No program benefits subject to payment eligibility and limitation will be provided until all required forms for the specific situation are provided and necessary payment eligibility and payment limitation determinations are made.

Payment eligibility and payment limitation determinations may be initiated by the County Committee or requested by the producer.

There are statutory provisions that require entities, earning program benefits that are subject to limitation, to provide the names, addresses, and TINs of the entities' members to the County Committee.

All applicable payment eligibility and payment limitation forms submitted by producers are subject to spot check through the end-of-year review process.

Producers selected for end-of-year review must provide the County Committee with operating loan documents, income and expense ledgers, canceled checks for all expenditures, lease and purchase agreements, sales contracts, property tax statements, equipment listings, lease agreements, purchase contracts, documentation of who provided actual labor and management, employee time sheets or books, crop sales documents, warehouse ledgers, gin ledgers, corporate or entity papers, etc.

A determination of not actively engaged in farming results in the producer being ineligible for any payment or benefit requiring a determination of actively engaged in farming.

Noncompliance with AGI provisions, either by exceeding the applicable limitation or failure to submit a certification and consent for disclosure statement, will result in the determination of ineligibility for all program benefits subject to AGI provisions. Program benefits shall be reduced in an amount that is commensurate with the direct and indirect interest held by an ineligible person or legal entity in any legal entity, general partnership, or joint operation that receives benefits subject to the average AGI limitations.

If any changes occur that could affect an actively engaged in farming, cash-rent tenant, foreign person, or average Adjusted Gross Income (AGI) determination, producers must timely notify the county Office by filing revised farm operating plans and/or supporting documentation, as applicable. Failure to timely notify the County Office may adversely affect payment eligibility.

Environmental Review Required Before Project Implementation

The National Environmental Policy Act (NEPA) requires Federal agencies to consider all potential environmental impacts for federally-funded projects before the project is approved.

For all Farm Service Agency (FSA) programs, an environmental review must be completed before actions are approved, such as site preparation or ground disturbance. These programs include, **but are not limited to**, the Emergency Conservation Program (ECP), Farm Storage Facility Loan (FSFL) program and farm loans. If project implementation begins before FSA has completed an environmental review, this will result in a denial of the request. There are exceptions regarding the Stafford Act and emergencies. It is important to wait until you receive written approval of your project proposal before starting any actions, including, but not limited to, vegetation clearing, site preparation or ground disturbance.

Remember to contact your local FSA office early in your planning process to determine what level of environmental review is required for your program application so that it can be completed timely.

Applications cannot be approved contingent upon the completion of an environmental review. FSA must have copies of all permits and plans before an application can be approved.

Participation in NASS Agriculture Census Crucial to Infrastructure, Education, Technology and More

In a few short weeks, the National Agricultural Statistics Service (NASS) will be mailing the 2017 Census of Agriculture to approximately three million U.S. producers (mailing runs from mid-November through late December). Many producers don't realize how answering, or not answering, NASS surveys and questionnaires directly impacts them, their communities, or their industries. Even if producers do not use the results themselves or take advantage of USDA or other agriculture programs and services that rely on the data, everyone is affected by rural development. Data collected from the survey affects how resources are directed to such things as roads, internet access, veteran health clinics, agribusiness set-up, disaster relief, and much more.

In addition to being used by policymakers, the data also justifies research and the development of new technologies. Census data are also used to determine where there should be agriculture education in schools and to simply promote the importance of agriculture among non-agricultural neighbors.

This year, NASS will collect new information, including data on active duty and military veteran farmers, as well as expanded questions about food marketing practices.

When farmers receive the census forms, they can complete the questionnaire either online through an improved, user-friendly system (calculates totals automatically and skips questions that do not pertain to that operation), or they may still complete the questionnaire and submit it via mail.

Census responses are due by February 5, 2018. The results will be available beginning in February 2019 in aggregate form only to ensure that no individual operation or producer can be identified as required by federal law.

For more information about the 2017 Census of Agriculture, visit www.agcensus.usda.gov or call Greg Matli at 765-414-1157.

Important NASS Surveys Upcoming

USDA's National Agricultural Statistics Service (NASS) will be conducting 2 important surveys this fall/winter; the County Agricultural Production Survey and the December Agricultural Survey. Data from both surveys will be used to establish final 2017 county average yields for corn and soybeans.

These surveys can have a direct impact on farmers because USDA's Risk Management Agency (RMA) and Farm Service Agency (FSA) use the NASS county yields to determine the Agriculture Risk Coverage (ARC-CO) insurance payments and administer disaster assistance programs.

Selected farmers will receive a questionnaire in the mail. NASS offers a secure online response system. Responding online is the easiest, fastest and safest way to complete the survey and it saves taxpayer dollars too. Farmers can also respond by mail, telephone, or personal interview. **Remember** if NASS doesn't get enough farmers to respond in a county, then the county yield will not be published.

The deadline to report for the December Agricultural Survey is December 15, 2017 and the County Agricultural Production Survey is due January 12, 2018.

Corn and soybean county estimates will be released on February 22, 2018 on the NASS website.

Thank you for participating in NASS surveys and for supporting U.S. agriculture.

Dates to Remember

Continuing through December 15, 2017: Margin Protection Program for Dairy Producers (MPP-Dairy) 2018 registration and election

Continuing through August 1, 2018: Enrollment for 2018 Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) Programs

December 1: NAP application closing date for honey for the following year

December 4: COC Ballots returned to FSA Office (in person or postmarked by mail)

December 15: Reporting date for fall mint, fall-seeded small grains

December 15: MPP-Dairy 2018 registration and election ends

December 25: Offices closed in observance of Christmas Day

January 1: Offices closed in observance of New Year's Day

January 2: Reporting date for 2018 honeybee colonies/honey for all FSA programs

January 15: Reporting date for 2018 acreage for apples

January 15: Offices closed in observance of Martin Luther King, Jr's Birthday

January 30: Deadline to apply for 2017 Livestock Forage Disaster Program (LFP) and 2017 Livestock Indemnity Program (LIP)

January 31: Deadline to file Tree Assistance Program (TAP) application

February 2: Deadline to apply for Loan Deficiency Payments (LDP) for unshorn pelts produced during the 2017 crop year

February 15: NAP buy-up premiums due

February 19: Offices closed in observance of George Washington's Birthday

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).