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Farm Service Agency **Electronic News Service**

# NEWSLETTER

*GovDelivery*

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## Indiana Farm Service Agency Program Updates

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### Indiana Farm Service Agency

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### USDA Market Facilitation Program - Sign-up Deadline January 15, 2019

USDA launched the trade mitigation package aimed at assisting farmers suffering from damage due to unjustified trade retaliation by foreign nations. Producers of certain commodities can now sign up for the Market Facilitation Program (MFP).

USDA's Farm Service Agency (FSA) will administer MFP to provide payments to corn, cotton, dairy, hog, sorghum, soybean, wheat, shelled almond, and fresh sweet cherry producers. An announcement about further payments will be made in the coming months, if warranted.

The sign-up period for MFP runs through Jan. 15, 2019, with information and instructions provided at [www.farmers.gov/mfp](http://www.farmers.gov/mfp). MFP provides payments to producers of eligible commodities who have been significantly impacted by actions of foreign governments resulting in the loss of traditional exports. Eligible producers should apply after harvest is complete, as payments will only be issued once production is reported.

A payment will be issued on 50 percent of the producer's total production, multiplied by the MFP rate for a specific commodity. A second payment period, if warranted, will be determined by the USDA.

For a list of initial MFP payments rates, view the [MFP Fact Sheet](#).

MFP payments are capped per person or legal entity as follows:

- A combined \$125,000 for eligible crop commodities
- A combined \$125,000 for dairy production and hogs
- A combined \$125,000 for fresh sweet cherries and almonds

**Farm Loan Chief:**  
Greg Foulke  
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Applicants must also have an average adjusted gross income for tax years 2014, 2015, and 2016 of less than \$900,000. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.

**Public Affairs/Outreach  
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Donna Ferguson  
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### **Expanded Hog Timeline**

USDA has expanded the timeline for producers with whom the Aug. 1, 2018, date does not accurately represent the number of head of live hogs they own. Producers may now choose any date between July 15 to Aug. 15, 2018 that correctly reflects their actual operation.

MFP applications are available online at [www.farmers.gov/mfp](http://www.farmers.gov/mfp). Applications can be completed at a local FSA office or submitted electronically either by scanning, emailing, or faxing. To locate or contact your local FSA office, visit [www.farmers.gov](http://www.farmers.gov).

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## **Maintaining the Quality of Farm-Stored Loan 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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## **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.

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## **Maintaining Good Credit History**

Farm Service Agency (FSA) Farm Loan programs require that applicants have a satisfactory credit history. A credit report is requested for all FSA direct farm loan applicants. These reports are reviewed to verify outstanding debts, if bills are paid timely and to determine the impact on cash flow.

Information found on a customer's credit report is strictly confidential and is used only as an aid in conducting FSA business.

Our farm loan staff will discuss options with you if you have an unfavorable credit report and will provide you with a copy of your report. If you dispute the accuracy of the information on the credit report, it is up to you to contact the issuing credit report company to resolve any errors or inaccuracies.

There are multiple ways to remedy an unfavorable credit score.

- Make sure to pay bills on time. Setting up automatic payments or automated reminders can be an effective way to remember payment due dates.
- Pay down existing debt.
- Keep your credit card balances low.
- Avoid suddenly opening or closing existing credit accounts.

FSA's farm loan staff will guide you through the process, which may require you to reapply for a loan after improving or correcting your credit report

For more information on FSA farm loan programs, visit [www.fsa.usda.gov](http://www.fsa.usda.gov).

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## 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).

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## Update Your Records

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

If you have any updates or corrections, please call your local FSA office to update your records.

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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.

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.

# 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.

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## 2019 Acreage Reporting Dates

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

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 below or 15 calendar days before grazing or harvesting of the crop begins.

The following acreage reporting dates are applicable for Indiana:

January 2 - Honey  
January 15 - Apples  
June 15 - Cucumbers (Planted 5/1-5/31 in Knox County)  
July 15 - Cucumbers (Planted 5/10-6/15 in all counties), all other crops  
August 15 - Cucumbers (Planted 6/16-8/5 in Fulton, LaPorte, Porter, and St. Joseph Counties)  
September 15 - Cucumbers (Planted 6/1-8/15 in Knox County)  
September 30 - Value Loss and Controlled Environment Crop (for the coming program year)  
December 15 - Fall Mint, 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.
- Cucumbers and crops for NAP coverage may have dates not included on the chart above. Visit your local county office for details.

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

## Dates to Remember

**Continuing through January 15, 2019:** Market Facilitation Program (MFP) Sign-up

**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 2019 honeybee colonies/honey for all FSA programs

**January 15:** Reporting date for 2019 acreage for apples

**January 15:** Deadline to apply for the Market Facilitation Program (MFP)

**January 21:** Offices closed in observance of Martin Luther King, Jr's Birthday

**January 30:** Final application for payment for 2018 Livestock Forage Disaster Program (LFP)

**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 2018 crop year

**February 15:** NAP buy-up premiums due

**February 18:** Offices closed in observance of George Washington's Birthday

**March 1:** Final application for payment for 2018 Livestock Indemnity Program (LIP)

**March 15:** NAP application closing date for annual spring/summer planted crops not limited to: beans, beets, broccoli, brussel sprouts, cabbage, canola, cantaloupes, carrots, cauliflower, corn, cucumbers, eggplant, garlic, greens, herbs, honeydew, lettuce, oats, okra, onions, peas, peppers, potatoes, pumpkins, radishes, sorghum, squash, tomatillos, tomatoes, and watermelon

**March 31:** Final date to obtain loans or Loan Deficiency Payments (LDP's) on 2018 harvested small grains

**May 1:** Deadline to certify production for the Market Facilitation Program (MFP)

**May 27:** Offices closed in observance of Memorial Day

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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).