Message from Craig A. McCain, FSA State Executive Director
Welcome to the summer of 2016! While it sure seems that we shouldn’t be here yet, June marks the traditional beginning of the Summer Season. Normally, June offers optimal growing conditions and vegetable production seems to peak during this month! You are encouraged to take advantage of the many opportunities to purchase fresh fruits and vegetables, through farm direct sales, Farmers Markets or other venues. As the summer months become hotter, the availability of fresh fruits and vegetables traditionally lessens. You may obtain information concerning local Farmers Markets online by visiting https://www.ams.usda.gov/local-food-directories/farmersmarkets.

FSA continues to offer many opportunities for ag producers to obtain capital investment through the FSA Direct and Guaranteed Loan Programs. FSA has loans specifically designed for young and beginning farmers, well established large farming operations, traditional and nontraditional crops, a large variety of crop mixes and livestock types. If you are not familiar with the loan opportunities available through FSA, please contact your local County Office or visit
Producers with interest in joint operations which are determined to be “non-family” under the revised rules for joint operations, should be aware that the deadline for making changes to the structure of your 2016 farming operation has been extended until July 1, 2016. For more details please see the information below or contact your local FSA County Office.

USDA Unveils New Improvement to Streamline Crop Reporting

Update Lets Farmers and Ranchers Report Common Acreage Information Once

Farmers and ranchers filing crop acreage reports with the Farm Service Agency (FSA) and participating insurance providers approved by the Risk Management Agency (RMA) now can provide the common information from their acreage reports at one office and the information will be electronically shared with the other location.

This new process is part of the USDA Acreage Crop Reporting Streamlining Initiative (ACRSI). This interagency collaboration also includes participating private crop insurance agents and insurance companies, all working to streamline the information collected from farmers and ranchers who participate in USDA programs.

Once filing at one location, data that’s important to both FSA and RMA will be securely and electronically shared with the other location avoiding redundant and duplicative reporting, as well as saving farmers and ranchers time.

Since 2009, USDA has been working to streamline the crop reporting process for agricultural producers, who have expressed concerns with providing the same basic common information for multiple locations. In 2013, USDA consolidated the deadlines to 15 dates for submitting these reports, down from the previous 54 dates at RMA and 17 dates for FSA. USDA representatives believe farmers and ranchers will experience a notable improvement in the coming weeks as they approach the peak season for crop reporting later this summer.

More than 93 percent of all annual reported acres to FSA and RMA now are eligible for the common data reporting, and USDA is exploring adding more crops. Producers must still visit both locations to validate and sign acreage reports, complete maps or provide program-specific information. The common data from the first-filed acreage report will now be available to pre-populate and accelerate completion of the second report. Plans are underway at USDA to continue building upon the framework with additional efficiencies at a future date.

Farmers and ranchers are also reminded that they can now access their FSA farm information from the convenience of their home computer. Producers can see field boundaries, images of the farm, conservation status, operator and owner information and much more.

The new customer self-service portal, known as FSAFarm+, gives farmers and ranchers online access to securely view, print or export their personal farm data. To enroll in the online service, producers are encouraged to contact their local FSA office for details. To find a local FSA office in your area, visit http://offices.usda.gov.
USDA Extends Deadline for Recording Farm Structure

Gives Non-Family Farming Operations More Time to Restructure in Response to ‘Actively Engaged’ Farm Management Rule

USDA announced a one-time, 30-day extension to the June 1 deadline for recording farm organization structures related to Actively Engaged in Farming determinations. This date is used to determine the level of interest an individual holds in a legal entity for the applicable program year. Farming operations will now have until July 1 to complete their restructuring or finalize any operational change. The U.S. Department of Agriculture (USDA) issued the extension in response to farmers and ranchers who requested more time to comply, and to assure that everyone has enough time to provide their information under the new rules.

The 2014 Farm Bill provided the Secretary with the direction and authority to amend the Actively Engaged in Farming rules related to management. The final rule established limits on the number of individuals who can qualify as actively engaged using only management. Only one payment limit for management is allowed under the rule, with the ability to request up to two additional qualifying managers for large and complex operations.

The rule does not apply to farming operations comprised entirely of family members. The rule also does not change the existing regulations related to contributions of land, capital, equipment or labor, or the existing regulations related to landowners with a risk in the crop or to spouses. Producers that planted fall crops have until the 2017 crop year to comply with the new rules. The payment limit associated with Farm Service Agency farm payments is generally limited annually to $125,000 per individual or entity.

USDA To Offer Certificates for Farm Commodities Pledged to Marketing Loans

Producers who have crops pledged as collateral for a marketing assistance loan can now purchase a commodity certificate that may be exchanged for the outstanding loan collateral. The authority is provided by the 2016 Consolidated Appropriations Act, legislation enacted by Congress in December. Commodity certificates are available beginning with the 2015 crop in situations where the applicable marketing assistance loan rate exceeds the exchange rate. Currently, the only eligible commodity is cotton.

USDA’s Farm Service Agency (FSA) routinely provides agricultural producers with marketing assistance loans that provide interim cash flow without having to sell the commodities when market prices are at harvest time lows. The loans allow the producer to store and delay the sale of the commodity until more favorable market conditions emerge, while also providing for a more orderly marketing of commodities throughout the marketing year.

These loans are considered “nonrecourse” because the loan can be redeemed by delivering the commodity pledged as collateral to the government as full payment for the loan upon maturity. Commodity certificates are available to loan holders having outstanding nonrecourse loans for wheat, upland cotton, rice, feed grains, pulse crops (dry peas, lentils, large and small chickpeas), peanuts, wool, soybeans and designated minor oilseeds. These certificates can be purchased at the posted county price (or adjusted world price or national posted price) for the quantity of commodity under loan, and must be immediately exchanged for the collateral, satisfying the loan.

Producers may contact their FSA office that maintains their loan or their loan service agent for additional information. Producers who do business with Cooperative Marketing Associations (CMA) or Designated Marketing Associations (DMA) may contact their respective associations for additional information. To learn more about commodity certificates, visit www.fsa.usda.gov/pricesupport.
**USDA Encourages Producers to Consider Risk Protection Coverage before Crop Sales Deadlines**

The Farm Service Agency encourages producers to examine available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the applicable crop sales deadline.

Producers are reminded that crops not covered by insurance may be eligible for the Noninsured Crop Disaster Assistance Program (NAP). The 2014 Farm Bill expanded NAP to include higher levels of protection. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage, as well as discounted premiums for additional levels of protection.

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

USDA has partnered with Michigan State University and the University of Illinois to create an online tool at [www.fsa.usda.gov/nap](http://www.fsa.usda.gov/nap) that allows producers to determine whether their crops are eligible for federal crop insurance or NAP and to explore the best level of protection for their operation. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production, with higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price, including coverage for organics and crops marketed directly to consumers.

Deadlines for coverage vary by state and crop. To learn more about NAP visit [www.fsa.usda.gov/nap](http://www.fsa.usda.gov/nap) or contact your local USDA Service Center. To find your local USDA Service Centers go to [http://offices.usda.gov](http://offices.usda.gov).

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at USDA’s online Agent Locator: [http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#](http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#). Producers can use the USDA Cost Estimator, [https://ewebsb.rma.usda.gov/apps/costestimator/Default.aspx](https://ewebsb.rma.usda.gov/apps/costestimator/Default.aspx), to predict insurance premium costs.

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**Disaster Set-Aside (DSA) Program**

FSA borrowers with farms located in designated primary or contiguous disaster areas who are unable to make their scheduled FSA loan payments should consider the Disaster Set-Aside (DSA) program.

DSA is available to producers who suffered losses as a result of a natural disaster and is intended to relieve immediate and temporary financial stress. FSA is authorized to consider setting aside the portion of a payment/s needed for the operation to continue on a viable scale. Borrowers must have at least two years left on the term of their loan in order to qualify.

Borrowers have eight months from the date of the disaster designation to submit a complete application. The application must include a written request for DSA signed by all parties liable for the debt along with production records and financial history for the operating year in which the
disaster occurred. FSA may request additional information from the borrower in order to determine eligibility.

All farm loans must be current or less than 90 days past due at the time the DSA application is complete. Borrowers may not set aside more than one installment on each loan. The amount set-aside, including interest accrued on the principal portion of the set-aside, is due on or before the final due date of the loan.

For more information, contact your local FSA farm loan office.

FSA Unveils Monthly Webinar Series
The FSA Outreach and Education Division will host a series of webinars each month to inform producers about FSA programs and initiatives. To register for any of the below listed webinars, visit www.fsa.usda.gov/outreach and click on “Outreach Webinars.”

July 19 @ 2 p.m. EDT
Understanding Receipt for Service
To ensure that all USDA customers and potential customers are being served properly in local offices, the 2014 Farm Bill requires that a receipt be provided. Learn more about Receipt for Service, how it affects you and what you can expect when you visit a local Farm Service Agency county office.

Aug. 9 @ 2 p.m. EDT
Need Commodity Storage? The Farm Storage Facility Loan (FSFL) Can Help
The Farm Storage Facility Loan Program provides low-interest financing so producers can build or upgrade permanent or portable facilities to store commodities. Learn how this program may be able to help your operation.

Persons with disabilities who require accommodations to attend or participate in these webinars should contact Tanya Brown at 202-690-1700 or Federal Relay Service at 1-800-877-8339 at least three business days prior to the webinar.

The webinars will be recorded for future viewing and can be accessed on www.fsa.usda.gov/outreach.

USDA’s Building Blocks for Climate Smart Agriculture & Forestry
The U.S. Department of Agriculture announced a comprehensive and detailed approach to support farmers, ranchers, and forest land owners in their response to address the causes of climate change in April 2015. The framework consists of 10 building blocks that span a range of technologies and practices to reduce greenhouse gas emissions, increase carbon storage, and generate clean renewable energy through mitigation.

USDA’s strategy focuses on climate-smart practices designed for working production systems that provide multiple economic and environmental benefits in addition to supporting resilience to extreme weather, reduced emissions and increased carbon storage.

Through this comprehensive set of voluntary programs and initiatives spanning its programs, USDA expects to reduce net emissions and enhance carbon sequestration by over 120 million metric tons of CO2 equivalent (MMTCO2e) per year – about 2% of economy-wide net greenhouse emissions – by 2025. That’s the equivalent of taking 25 million cars off the road, or offsetting the emissions produced by powering nearly 11 million homes last year.

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**Selected Interest Rates for June 2016**

- 90-Day Treasury Bill — .250%
- Farm Operating Loans — Direct 2.25%
- Farm Ownership Loans — Direct 3.50%
- Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher 1.50%
- Emergency Loans — 3.25%
- Farm Storage Facility Loans (7 years) — 1.625%
- Farm Storage Facility Loans (10 years) — 1.875%
- Farm Storage Facility Loans (12 years) — 1.875%
- Sugar Storage Facility Loans (15 year term) — 2.000%
- Commodity Loans — 1.625%

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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).