Thank You & Happy Holidays

Greetings, Michigan farmers and ranchers. We are about to complete what I hope has been an overall good year for all of you.

Those of us involved in agriculture are an optimistic group. We meet our challenges head on and look forward to the next one, because we value the strength we gain from working through these challenges.

The 2018 growing season certainly presented its challenges. Unseasonable and severe weather in 2018 was damaging enough to prompt multiple disaster designations in Michigan. Untimely wet weather made it difficult to harvest field crops in many areas. Waterlogged fields are finally frozen enough to support harvesting equipment, and we are just now seeing the last of the soybeans and corn harvested.

Recognizing the many challenges Michigan agricultural producers regularly face, we at FSA want to thank you for all you do every day. We hope our services were and continue to be beneficial for you, your family, and your operation. We wish you the best of Holiday Seasons and a happy, healthy 2019.

Kindest Regards,
Joel Johnson &
the Michigan FSA team
**Just Around the Corner**

**December 25:** Offices closed for Christmas Holiday  
**January 1:** Offices Closed for New Year’s Day  
**January 2:** Acreage reporting deadline for honey  
**January 15:** MFP sign-up deadline; Acreage reporting deadline for perennial fruits and nuts  
**January 21:** Offices Closed for Birthday of Martin Luther King, Jr.  
**January 31:** MAL/LDP deadline for prior year harvested wool and mohair; LDP deadline for unshorn pelts  
**February 1:** Acreage reporting deadline for maple sap

_Dates are provided for general reference. Some areas and crops may have dates that differ from the general guidelines above. It is the producer’s responsibility to personally verify deadlines applicable to each farm’s crops with their local Farm Service Agency county office._

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**FSA Offers Safety Net Programs for Honeybee Producers**

The Farm Service Agency (FSA) administers two programs that have specific safety net benefits for producers of honeybees and honey. The _Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP)_ and the _Noninsured Crop Disaster Assistance Program (NAP)_ assist producers when disasters impact honey production or damage or destroy colonies, hives or honeybee feed.

ELAP covers colony losses, hive losses and the loss of purchased feed intended for honeybees. For colony losses, producers must have losses in excess of normal mortality (normal mortality is 22 percent) as a direct result of an eligible adverse weather event or loss condition. For hive losses, the hive must have been damaged or destroyed as a result of an eligible adverse weather event or loss condition. Eligible adverse weather or loss conditions include Colony Collapse Disorder (for colony losses only), earthquake, eligible winter storm (colony loss only), excessive wind, flood, hurricane, lighting, tornado, volcanic eruption and wildfire. For purchased feed, the program covers feed purchased above normal quantities to sustain bees during an eligible adverse weather event or loss condition. Under ELAP the producer must provide documentation that best management practices are being followed.

NAP is designed to reduce financial losses when natural disasters result in lower yields or crop losses, including honey. NAP coverage is equivalent to catastrophic insurance, meaning it covers up to 50 percent of a producer's normal yield (must have at least a 50 percent loss) at 55 percent of the average market price. The NAP service fee is the lesser of $250 per crop or $750 per producer per administrative county, not to exceed a total of $1,875 for a producer with farming interests in multiple counties. Eligible causes of loss include drought, freeze, hail, excessive moisture, excessive wind, hurricanes, earthquake, flood, and conditions related to damaging weather such as excessive heat, plant disease, volcanic smog or insect infestation. Producers must apply for NAP coverage by Dec. 1 prior to the year for which they are seeking coverage.

Both the NAP and ELAP programs require producers to report the number of colonies they have in production to FSA by Jan. 2, 2018. Honeybee producers must notify FSA within 30 calendar days of changes in the total number of colonies or when honeybees are moved to another county.

For ELAP, producers must notify FSA within 30 calendar days of when a loss occurs or from when the loss is apparent. Producers with NAP coverage must file a _Notice of Loss_ within 15 days of the occurrence of the disaster or when losses become apparent.

To learn more about programs for honey and honeybee producers, contact your local FSA office.
Report Noninsured Crop Disaster Assistance Program (NAP) Losses

The Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occur due to natural disasters including freeze, hail, excessive moisture, excessive wind or hurricanes, flood, excessive heat and qualifying drought (includes native grass for grazing), among others.

Eligible producers must have purchased NAP coverage for 2018 crops. A notice of loss must be filed the earlier of 15 days of the occurrence of the disaster or when losses become apparent or 15 days of the final harvest date. Producers of hand-harvested crops and certain perishable crops must notify FSA within 72 hours of when a loss becomes apparent.

Eligible crops must be commercially produced agricultural commodities for which crop insurance is not available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

For more information on NAP, contact your local FSA office or visit www.fsa.usda.gov/nap.

USDA Market Facilitation Program

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 (fresh and processed), cotton, dairy, hog, sorghum, soybean (fresh and processed), 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. 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

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.

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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**Submit Loan Requests for Financing Early**

The Farm Loan teams in Michigan are already working on operating loans for spring 2019. It is important that potential borrowers submit your requests early, so they can be timely processed. The farm loan team can help you determine which loan programs are best for you.

FSA offers a wide range of low-interest loans that can meet the financial needs of any farm operation for just about any purpose. The traditional [Farm Operating Loans](http://www.farmers.gov) and [Farm Ownership Loans](http://www.farmers.gov) can help large and small farm operations take advantage of early purchasing discounts for spring inputs as well expenses throughout the year.

**Microloans** are a simplified loan program that will provide up to $50,000 to eligible applicants. These loans, targeted for smaller operations and non-traditional operations, can be used for operating expenses, starting a new agricultural enterprise, purchasing equipment, and other needs associated with a farming operation. The staff at your local county FSA office can provide more details on farm operating and microloans and provide loan applications. Loans to beginning farmers and members of underserved groups are a priority.

Other types of loans available include:

**Marketing Assistance Loans (MAL).** MALs allow producers to use eligible commodities as loan collateral and obtain a 9-month loan while the crop is in storage. These loans provide cash flow to the producer and allow them to market the crop when prices may be more advantageous.

**Farm Storage Facility Loans (FSFL).** FSFLs can be used to build permanent structures used to store eligible commodities, for storage and handling trucks, or for portable or permanent handling equipment. A variety of structures are eligible under this loan, including bunker silos, grain bins, hay storage structures and refrigerated structures for vegetables and fruit. A producer may borrow up to $500,000 per loan.

Please call your local FSA county office if you have questions about any of the loans available through FSA.

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### Interest Rates - December 2018

#### FSA Farm Loans

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Interest Rate</th>
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</thead>
<tbody>
<tr>
<td>Farm Operating - Direct</td>
<td>4.000%</td>
</tr>
<tr>
<td>Farm Ownership - Direct</td>
<td>4.250%</td>
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<tr>
<td>Farm Ownership - Direct, Joint Financing</td>
<td>2.500%</td>
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<tr>
<td>Farm Ownership - Down Payment</td>
<td>1.500%</td>
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<tr>
<td>Emergency Loan - Amount of Actual Loss</td>
<td>3.750%</td>
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#### Commodity Credit Corporation

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Interest Rate</th>
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<tbody>
<tr>
<td>CCC Borrowing Rate-Based Interest Charges</td>
<td>2.750%</td>
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<tr>
<td>Crop Year Commodity Loan less than 1 year</td>
<td>3.750%</td>
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<tr>
<td>Farm Storage Facility Loan 3 year</td>
<td>2.875%</td>
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<tr>
<td>Farm Storage Facility Loan 5 year</td>
<td>3.000%</td>
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<tr>
<td>Farm Storage Facility Loan 7 year</td>
<td>3.125%</td>
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<tr>
<td>Farm Storage Facility Loan 10 year</td>
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<tr>
<td>Farm Storage Facility Loan 12 year</td>
<td>3.125%</td>
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</tbody>
</table>

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).