#### February 2019





### Farm Service Agency Electronic News Service

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### **New York State FSA Newsletter**

#### New York State Farm Service Agency

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#### www.fsa.usda.gov/ny

## **State Executive Director:** Clark Putman

#### **State Committee:**

Judi Whittaker, Chair Michael Bittel Lawrence Eckhardt Theodore Furber Barbara Hanselman

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Mark Dennis

# Market Facilitation Program – Deadline - Thursday, Feb. 14

The last day to submit your Market Facilitation Program (MFP) application is Feb. 14, 2019. The final day to certify 2018 production is May 1, 2019.

Producers of corn, cotton, sorghum, soybeans, wheat, dairy, hogs, fresh sweet cherries and shelled almonds may be eligible to sign up for an MFP payment. MFP is designed to help producers significantly impacted by actions of foreign governments resulting in the loss of traditional exports. Contact your local FSA county office for more details to apply or visit www.farmers.gov/MFP.

# USDA to Host 2018 Farm Bill Implementation Listening Session

USDA is hosting a listening session for initial input on the 2018 Farm Bill. USDA is seeking public input on the changes to existing programs implemented by the Farm Service Agency, Natural Resources Conservation Service and the Risk Management

Farm Program Chief:

Vacant

Agency. Each agency will take into account stakeholder input when making discretionary decisions on program implementation.

Farm Loan Chief:

John Liddington

The listening session will be held Feb. 26, 2019 at 9:00 a.m. in the Jefferson Auditorium in the South Building located at 14<sup>th</sup> Street and Independence Ave. S.W. in Washington, D.C.

To find contact information for your local office go to www.fsa.usda.gov/ny

The listening session is open to the public. Participants must register at <a href="farmers.gov/farmbill">farmers.gov/farmbill</a> by February 22, 2019, to attend the listening session and are encouraged to provide written comments prior to the listening session. For those orally presenting comments at the listening session, written comments are encouraged to be submitted to <a href="regulations.gov">regulations.gov</a> by February 22, 2019. Additional written comments will be accepted through March 1, 2019. Comments received will be publicly available on <a href="https://www.regulations.gov">www.regulations.gov</a>.

For more information on the listening session visit farmers.gov/farmbill.

### **FSA Announces Program Deadline Extensions**

USDA's Farm Service Agency extended deadlines on many of its programs because of the government shutdown and the emergency nature of many of the programs. Below are updated deadlines:

#### **Farm Programs**

- Market Facilitation Program
  - o Deadline to apply extended to Feb. 14, 2019
- Marketing Assistance Loans
  - o If loan matured in December 2018, settlement date extended to Feb. 14, 2019
- Emergency Conservation Program
  - o Performance reporting due Feb. 14, 2019
- Livestock Forage Disaster
  - o 2018 application for payment due Feb. 28, 2019
- Emergency Assistance Livestock, Honey Bees, and Farm-raised Fish Program
  - o Notice of loss due Feb. 14, 2019
- Livestock Indemnity Program
  - o Notice of loss due Feb. 14, 2019
- Noninsured Crop Disaster Assistance Program
  - Notice of loss for 72-hour harvest and grazing (as applicable) due Feb. 14, 2019
  - o Notice of loss for prevented planting and failed acres due Feb. 14, 2019
  - Applications for payment for 2018 covered losses due Feb. 14, 2019
- Tree Assistance Program
  - o Notice of loss due Feb. 14, 2019
- Acreage Reporting
  - January reporting deadlines for honey, apples, grapes & peaches extended to Feb. 14, 2019

For inquiries related to these programs or any not listed above, contact your local office.

<sup>\*\*\*</sup> For details on all program deadlines and extensions, view FSA National Notice CM-807

## Producers Urged to Consider NAP Risk Protection Coverage before Crop Sales Deadlines

The USDA Farm Service Agency (FSA) reminds producers to review available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the crop deadline of March 15.

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.

The following crops in New York State have a NAP application deadline of March 15, 2019:

- Artichokes
- Beans
- Broccoflower
- Broccoli
- Brussel Sprouts
- Buckwheat
- Cabbage
- Calaloo
- Canary Melon
- Cantaloupe
- Carrots
- Cauliflower
- Celeriac
- Celery
- Corn-Sweet
- Crenshaw Melons
- Cucumbers
- Eggplant
- Gourds
- Honeydew
- Hops
- Jerusalem Artichokes
- Kohlrabi
- Korean Golden Melon
- Millet
- Okra
- Parsnips
- Peas
- Peppers
- Potatoes
- Pumpkins
- Rutabaga
- Safflower
- Sesame
- Sorghum FG
- Soybeans
- Squash
- Sunflowers
- Sweet Potatoes
- Tomatoes
- Tomatillos
- Watermelon

Yams

Producers can determine if crops are eligible for federal crop insurance or NAP by visiting <a href="https://webapp.rma.usda.gov/apps/ActuarialInformationBrowser2018/CropCriteria.aspx">https://webapp.rma.usda.gov/apps/ActuarialInformationBrowser2018/CropCriteria.aspx</a>.

NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

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: <a href="http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#">http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#</a>. Producers can use the USDA Cost Estimator, <a href="https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx">https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx</a>, to predict insurance premium costs.

For more information on NAP, service fees, sales deadlines, contact your local FSA office or visit the web at <a href="https://www.fsa.usda.gov/nap">www.fsa.usda.gov/nap</a>.

### **Submit Loan Requests for Financing Early**

The Farm Loan teams in New York State are already working on operating loans for spring 2019 so it is important that potential borrowers submit their requests early so they can be timely processed. The farm loan team can help determine which loan programs are best for applicants.

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 and farm ownership loans** 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. Your local farm loan team 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** 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** can be used to build permanent structures used to store eligible commodities, or for storage and handling trucks, or 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 you local FSA office if you have questions about any of the loans available through FSA.

## **Actively Engaged Provisions for Non-Family Joint Operations or Entities**

Many Farm Service Agency programs require all program participants, either individuals or legal entities, to be "actively engaged in farming." This means participants provide a significant contribution to the farming operation, whether it is capital, land, equipment, active personal labor

and/or management. For entities, each partner, stockholder or member with an ownership interest, must contribute active personal labor and/or management to the operation on a regular basis.

Joint operations comprised of non-family members or partners, stockholders or persons with an ownership in the farming operation must meet additional payment eligibility provisions. Joint operations comprised of family members are exempt from these additional requirements. For 2016 and subsequent crop years, non-family joint operations can have one member that may use a significant contribution of active personal management exclusively to meet the requirements to be determined "actively engaged in farming." The person or member will be defined as the farm manager for the purposes of administering these management provisions.

Non-family joint operations may request to add up to two additional managers for their farming operation based on the size and/or complexity of the operation. If additional farm managers are requested and approved, all members who contribute management are required to complete form CCC-902MR, Management Activity Record. The farm manager should use the form to record management activities including capital, labor and agronomics, which includes crop selection, planting decisions, acquisition of inputs, crop management and marketing decisions. One form should be used for each month and the farm manager should enter the number of hours of time spent for each activity under the date of the month the actions were completed. The farm manager must also document if each management activity was completed on the farm or remotely.

The records and supporting business documentation must be maintained and timely made available for review by the appropriate FSA reviewing authority, if requested.

If the farm manager fails to meet these requirements, their contribution of active personal management to the farming operation for payment eligibility purposes will be disregarded and their payment eligibility status will be re-determined for the applicable program year.

In some instances, additional persons or members of a non-family member joint operation who meet the definition of farm manager may also be allowed to use such a contribution of active personal management to meet the eligibility requirements. However, under no circumstances may the number of farm managers in a non-family joint operation exceed a total of three in any given crop and program year.

# **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.

### **Farm Storage Facility Loans**

FSA's Farm Storage Facility Loan (FSFL) program provides low-interest financing to producers to build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

The low-interest funds can be used to build or upgrade permanent facilities to store commodities. Eligible commodities include:

- Grain Crops
- Malted Small Grains
- Pulse Crops
- Hay & Forages
- Fruits, Nuts & Vegetables
- Milk, Butter, Cheese & Yogurt •
- Meat, Poultry (unprocessed) & Eggs
- Honey
- Maple sap & syrup
- Hops
- Floriculture
- Renewable biomass crops
- Some Aquaculture

#### **ELIGIBLE Facilities & Upgrades** include:

- Grain Bins & Cribs, including drying and handling equipment
- Hay Storage, including pole barns
- Silage Bunks
- · Cold Storage, including handling, washing & packing equipment
- Refrigeration/freezer units
- Milk Houses & Equipment, including bulk milk tanks
- Sap Tanks
- New & Used Trucks, including refrigerated trucks

Loans up to \$50,000 can be secured by a promissory note/security agreement and loans between \$50,000 and \$100,000 may require additional security. Loans exceeding \$100,000 require additional security.

Producers do not need to demonstrate the lack of commercial credit availability to apply. The loans are designed to assist a diverse range of farming operations, including small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

To learn more about the FSA Farm Storage Facility Loan, visit <a href="www.fsa.usda.gov/pricesupport">www.fsa.usda.gov/pricesupport</a> or contact your local FSA county office. To find your local FSA county office, visit <a href="http://offices.usda.gov">http://offices.usda.gov</a>.

### **Breaking New Ground**

Agricultural producers are reminded to consult with FSA and NRCS before breaking out new ground for production purposes as doing so without prior authorization may put a producer's federal farm program benefits in jeopardy. This is especially true for land that must meet Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions.

Producers with HEL determined soils are required to apply tillage, crop residue and rotational requirements as specified in their conservation plan.

Producers should notify FSA as a first point of contact prior to conducting land clearing or drainage type projects to ensure the proposed actions meet compliance criteria such as clearing any trees to create new cropland, then these areas will need to be reviewed to ensure such work will not risk your eligibility for benefits.

Landowners and operators complete the form AD-1026 - Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification to identify the proposed action and allow FSA to determine whether a referral to Natural Resources Conservation Service (NRCS) for further review is necessary.

### **Communication is Key in Lending**

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be a success. A part of ensuring this success is providing guidance and counsel from the loan application process through the borrower's graduation to commercial lending institutions. While it is FSA's commitment to advise borrowers as they identify goals and evaluate progress, it is crucial for borrowers to communicate with their farm loan staff when changes occur. It is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation;
- Any significant changes to family income or expenses;
- The development of problem situations;
- Any losses or proposed significant changes in security

In addition, if a farm loan borrower cannot make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options.

For more information on FSA farm loan programs, visit www.fsa.usda.gov.

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).