December brings the hustle and bustle of the Holiday Season, and in more rare occasions like this year, a lingering harvest. As combines continue to roll and farmers work hard to get the remaining crop off in this challenging fall we have experienced, thankfully, us North Dakotans have a lot of grit, and we can hold out with the understanding that challenges in ag production can be overcome with positive mindsets and the strength in the experience to overcome the trials.

This past week I was in Washington D.C. for a work-related meeting with Jim Hauge our State Committee Chairman, and because of the grace in timing, we had the incredible and humbling experience of paying our
In addition to all the program reminders and information below, the North Dakota Farm Service Agency continues to work hard getting producers enrolled in the Market Facilitation Program (MFP). Along with reading the MFP article included, please take note on the following MFP reminders:

- The second round of payments have not been announced, but if a second-rate is announced and the producer has already applied for MFP by certifying all their bushels, no other action will be required and the payment will be issued automatically.
- If a second payment rate is announced, and you have already signed up and certified your production on all acres, you could expect to receive that payment in your account within days.
- If you want to participate in MFP, you need to sign up by the January 15th, 2019 deadline!

I wish you all a nice Holiday Season and all the best as we approach the New Year!

- Brad Thykeson

Market Facilitation Program (MFP)

USDA launched the trade mitigation package aimed at assisting producers of eligible commodities who have been significantly impacted by actions of foreign governments resulting in the loss of traditional exports. Producers of corn (fresh and processed), dairy, hog, grain sorghum, soybean (fresh and processed), wheat, and fresh sweet cherry can now sign up for the Market Facilitation Program (MFP).

USDA’s Farm Service Agency (FSA) is administering the MFP. The sign-up period for MFP runs through Jan. 15, 2019, with information and instructions provided at www.farmers.gov/mfp. Eligible producers are to apply after harvest is complete for the MFP commodity, as payments will only be issued once 2018 actual net production is reported.

A payment will be issued on 50 percent of the producer’s total production, multiplied by the MFP payment rate for a specific commodity. A second payment period, if warranted, will be determined by the USDA. Producers who previously filed an MFP application for a commodity at the time a second payment rate is announced, no additional action by the producer will be required as FSA will automatically issue the second payment.

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.

Marketing Assistance Loans

USDA’s Commodity Credit Corporation makes available nonrecourse marketing assistance loans on certain crop year 2018 commodities. These loans can be requested by mail, via fax, or in person by properly completing the loan application (CCC-666). Loan applications are available at all county FSA offices and online at: http://forms.sc.egov.usda.gov/eForms/

Producers intending to receive a commodity loan disbursement prior to calendar year-end must contact your local County Office in early December to schedule an appointment.

A commodity loan application must be filed at the county office that maintains the farm records for the farm that produced the commodity for the loan. The 2018 crop commodity loan rates are available at any county FSA office, or online at: http://www.fsa.usda.gov and clicking on the “Price Support” link.

To be eligible for loan the commodity must meet the applicable commodity definition in the Official United States Standards and specific commodity eligibility requirements for a nonrecourse loan.

Farm-stored loans are available in approved storage structures that provide safe storage for the commodity through the maturity date of the loan.

Warehouse-stored loans are also available at CCC-approved storage warehouses or State licensed warehouses which have been assigned a CCC warehouse code. Proof of storage paid through the loan maturity date and proof of payment of in-charges must be provided with the warehouse receipt for the warehouse stored loan.

Loans mature on demand, but no later than the last day of the ninth calendar month after the month in which the loan was disbursed.

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.

Livestock Indemnity Program – Deadlines Nearing

The Livestock Indemnity Program (LIP) compensates eligible livestock producers for eligible livestock deaths from eligible weather events. Eligible adverse weather events include, but are not limited to, earthquake, hail, lightning, tornado, winter storm (lasting 3 consecutive days with high winds, freezing rain/sleet, heavy snowfall and extremely cold temperatures), floods, blizzards, wild fires, extreme heat, extreme cold, anthrax, straight-line winds, and cyanobacteria (blue-green algae poisoning) that directly results in the death of eligible livestock in excess of normal mortality.

LIP is run on a calendar year basis. The LIP application is a two-step process with a notice of loss required to be filed within 30 calendar days of when the loss was apparent. Livestock producers suffering livestock losses may submit the notice of loss by phone, fax, and email or in person.

The second step is to complete the application for payment. The deadline to file a 2018 application for payment is March 1, 2019.

Livestock producers must provide proof of death and inventory numbers of eligible livestock that died due to an eligible adverse weather event. The inventory numbers represent the number of eligible livestock before and after the adverse weather event(s) that cause the death of the livestock. Beginning and ending inventory documents can include, veterinary records, balance sheets, inventory numbers used for tax purposes, loan records, sales and purchase records and other similar documents. Proof of death documentation may be rendering truck receipts, FEMA records, veterinary records, private insurance documents, contemporaneous records that existed at the time of the weather event(s), pictures with a date, and other similar documents.

Livestock Forage Losses

Producers with land physically located in the following counties are eligible to apply for 2018 Livestock Forage Disaster Program (LFP) benefits on small grain for grazing, native pasture, improved pasture, forage sorghum for grazing:

**Bottineau, Eddy, Foster, McHenry, Nelson, Pierce, Renville, Rolette, Ward and Wells**

LFP provides compensation to eligible livestock producers who suffer grazing losses for covered livestock due to drought on privately owned or cash leased land or fire on federally managed land.

Eligible livestock producers must complete a CCC-853 and the required supporting documentation no later than January 30, 2019 for 2018 losses.
Additional Information about LFP, including eligible livestock and fire criteria, is available at your local FSA office or online at: www.fsa.usda.gov.

CRP

Currently, FSA County Offices cannot accept offers to enroll land into CRP. This is due to the expiration of the 2014 Farm Bill and a new Farm Bill re-authorizing CRP has not been enacted.

However, even though FSA cannot accept offers for CRP enrollment, we encourage producers to visit with the local FSA Office to learn more about the various options/practices to address conservation resource concerns. At this time, it is not known when FSA can begin accepting offers for enrollment into CRP, so it would be prudent to gain some knowledge on what requirements must be met, what management activities must be conducted, etc, prior to being able to submit an offer. Producers and landowners should also visit with NRCS to see what options are available for certain parcels of land, such as whether or not a tree planting would meet the resource concern, or restoring the hydrology of a wetland, or installing a sod water-way to control erosion. All these things can/should be discussed before an offer is submitted. Once it is learned that FSA can accept offers for CRP enrollment, it will be announced in this newsletter and other media sources.

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 Noninsured Crop Disaster Assistance Program (NAP) and the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) assist producers when disasters impact honey production or damage or destroy colonies, hives or honeybee feed.

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.

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.
Both the NAP and ELAP programs require producers to report the number of colonies they have in production to FSA by Jan. 2, 2019. 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.

**Farm Storage Facility Loan Program**

The Farm Storage Facility Loan Program (FSFL) allows producers of eligible commodities to obtain low-interest financing to build or upgrade on-farm storage and handling facilities. The maximum principal amount of a loan through FSFL is $500,000. Participants are required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the eligible net cost of the storage facility and permanent drying and handling equipment. FSA requires additional security for all loans exceeding $100,000 or when the aggregate amount of FSFL loans exceeds $100,000. Loan terms of 3, 5, 7, 10 or 12 years are available depending on the amount of the loan and loan type. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department. Sign-up for the FSFL program is continuous throughout the year. All requests for FSFL prior to loan approval require a site inspection for an environmental assessment in accordance to National Environmental Protection Agency (NEPA) requirements showing no adverse impacts. FSFL policy requires the following actions cannot occur at the proposed FSFL location prior to the environmental assessment being completed:

- accepting delivery of equipment and/or materials in previously undisturbed areas
- site preparation or foundation construction in previously undisturbed areas
- no alteration to any structures that are 50 years old or older or within a historic district

If any of the above are completed prior to FSA completing the on-site assessment it may impede the completion of the environmental assessment and eligibility for the FSFL.

For more information about FSFL please visit your FSA county office or [www.fsa.usda.gov](http://www.fsa.usda.gov).

**Controlled Substance**

Program participants convicted under federal or state law of any planting, cultivating, growing, producing, harvesting or storing a controlled substance are ineligible for program payments and benefits. If convicted of one of these offenses, the program participant shall be ineligible during that crop year and the four succeeding crop years for price support loans, loan deficiency payments, market loan gains, storage payments, farm facility loans, Non-insured Crop Disaster Assistance Program payments or disaster payments.

Program participants convicted of any federal or state offense consisting of the distribution (trafficking) of a controlled substance, at the discretion of the court, may be determined ineligible for any or all program payments and benefits:

- for up to 5 years after the first conviction
- for up to 10 years after the second conviction
• permanently for a third or subsequent conviction

Program participants convicted of federal or state offense for the possession of a controlled substance shall be ineligible, at the discretion of the court, for any or all program benefits, as follows:

• up to 1 year upon the first conviction
• up to 5 years after a second or subsequent conviction

Farm Service Agency (FSA) and Risk Management Agency (RMA) to Prevent Fraud, Waste, and Abuse

FSA supports the RMA in the prevention of fraud, waste and abuse of the Federal Crop Insurance Program. FSA has been, and will continue to, assist RMA and insurance providers by monitoring crop conditions throughout the growing season. FSA will continue to refer all suspected cases of fraud, waste and abuse directly to RMA. Producers can report suspected cases to the county office staff, the RMA office or the Office of the Inspector General.

Bank Account Changes

Current FSA policy mandates that payments be electronically transferred into your bank account. In order for timely payments to be made, producers need to notify the FSA county office if your account has been changed or if another financial institution purchases your bank. Payments can be delayed if the FSA office is not aware of updates to your account and routing numbers.

Update Your Records

FSA is cleaning up our producer record database. If you have any unreported changes of address, zip code, phone number, email address 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.

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.
Calendar Deadlines

Important Upcoming Dates and Deadlines

December 25, 2018: USDA Service Centers closed for the Christmas Day Holiday
January 1, 2019: USDA Service Centers closed for the New Year’s Day Holiday
January 15, 2019: Final Day to Enroll in the Market Facilitation Program (MFP)
January 16, 2019: 2018 NAP premium billing mailed
January 21, 2019: Offices closed in observance of Martin Luther King, Jr’s Birthday
March 1, 2019: Deadline to sign up for the 2018 Livestock Indemnity Program
March 15, 2019: 2019 NAP sales closing date for spring-seeded annual crops and sorghum forage.
For additional crops with a March 15, 2019, sales closing date, contact your local FSA office
May 1, 2019: Deadline to report production for the Market Facilitation Program

December 2018 Loan and Interest Rates

Commodity Loans – 3.750%
Operating Loans – 4.000%
Farm Ownership and Conservation Loans – 4.250%
Farm Ownership-Joint Financing – 2.500%
Emergency - Amount of Actual Loss - 3.750%
Farm Ownership-Down Payment Loans – 1.500%
Farm Storage Facility Loan, 3-Year – 2.875%
Farm Storage Facility Loan, 5-Year – 3.000%
Farm Storage Facility Loan, 7-Year – 3.125%
Farm Storage Facility Loan, 10-Year – 3.125%
Farm Storage Facility Loan, 12-Year – 3.125%

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).