

August 2019



Farm Service Agency **Electronic News Service**

NEWSLETTER

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Rhode Island FSA Newsletter

Rhode Island Farm Service Agency

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Option 1.

www.fsa.usda.gov/ri

State Executive Director:
W. Michael Sullivan, PhD

State Committee: Doreen
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Message from the State Executive Director

The summer of 2019 has been rather trying for all sectors of RI agriculture. The heat and humidity have taken a toll on humans, crops and critters. It will get better in the coming weeks and be better next year. For those of you struggling in the current year or optimistic about next year, the FSA is ready to assist with your loan and risk coverage needs to get you through the times ahead.

The 2020 season ramps quickly in our world where aquaculture, Christmas tree and sod producers who want NAP insurance for the coming year need to indicate interest by September 1. Other perennial crops signup deadlines aren't far off and are required by the 20th of November. So, if your concerned with coverage check in soon with the County Office and make sure you act.

The second round of the Market Facilitation Program signups has begun. This program is designed to assist producers adversely impacted by the tariff challenges. Those of you producing hogs will see an increase to of \$3/head (\$11) for animals gone to market.

The State Committee meets the second Wednesday of every month subject to change.

County Office: 401-828-3120 Option 2.

County Executive Director: Sheryl Michener

County Committee: Kim Coulter, Vincent Confreda, Victor Hoogendoorn, Joseph Silveira, Joseph Polseno

County Committee meets the first Wednesday of every month subject to change.

Farm Loan Team: 401-828-3120 Option 3.

Farm Loan Officer Trainee: Gene Piskator

FSA Dates to Remember:

Non-Insured Crop Disaster Assistance Program (NAP) Enrollment Deadlines for Rhode Island

- **March 15th**, Annual Crops
- **September 1st**, Value Loss Crops
- **November 20th**, Perennial Crops
- **December 1st**, Specialty Type Crops

Your record keeping skills and receipts will be the determinate of payment eligibility. Cranberries are also now recognized as adversely impacted and are included in the program.

The new Dairy Margin Coverage program is underway. Producers are eligible for an array of coverages. This program insulates a producer from flux of milk and feed prices. The cost of feed stocks is traditionally much higher here in the Northeast and especially in Southern New England. This safety net program is worth exploring and several payment triggers are already established. If your making milk (cow) please call the County Office very soon.

Speaking of opportunities, I have a keen interest in seeing Rhode Island youth gain access to the USDA Youth Loan Program. These loans are available to young people from 14 to 20 for up to \$5,000 for a project. These projects need to be guided by a teacher, professor or other independent adult with skills and credentials and a parent or guardian must 'sign off' on the loan. The parental or guardian signature does not influence their credit rating or score, does not make them subject to lien if the youth does not meet their loan obligations, but rather simply tries toward a 3-part loan agreement to encourage young people experimenting with their agricultural interests. These can be young people in high school or even a college/university student who's wants to go further into the study of an independent project where institutional funds might not be possible. Please go to our website or stop by to learn more on these valuable tools to funding the next generation of farmers, ranchers or producers.

USDA Opens Signup for Market Facilitation Program

Signup opens today for the Market Facilitation Program (MFP), a U.S. Department of Agriculture (USDA) program to assist farmers who continue to suffer from damages because of unjustified trade retaliation from foreign nations. Through MFP, USDA will provide up to \$14.5 billion in direct payments to impacted producers, part of a broader trade relief package announced in late July. The sign-up period runs through Dec. 6.

MFP payments will be made to producers of certain non-specialty and specialty crops as well as dairy and hog producers.

Non-Specialty Crops

MFP payments will be made to producers of alfalfa hay, barley, canola, corn, crambe, dried beans, dry peas, extra-long staple cotton, flaxseed, lentils, long grain and medium grain rice, millet, mustard seed, oats, peanuts, rapeseed, rye, safflower, sesame seed, small and large chickpeas, sorghum, soybeans, sunflower seed, temperate japonica rice, triticale, upland cotton, and wheat.

Acreage Reporting Deadlines

- **July 15, 2019,** Annual, Grass, Mixed Forage, Alfalfa, Fruit and Nut Trees and Perennial Crops and Perennial Forage (except Apples, Cranberries and Peaches)
- **September 30, 2019,** Value Loss Crops such as Aquaculture, Floriculture, Turfgrass sod, Christmas Trees
- **January 2, 2020,** Honey (beehive colonies) and Maple Sap
- **January 15, 2020,** Apples Cranberries and Peaches

County Committee Election Deadlines

- **Nov. 4, 2019,** Ballots mailed to eligible voters
- **Dec. 2, 2019,** Last day to return voted ballots to the USDA Service Center
- **Jan. 1, 2020,** Newly elected county committee members take office

MFP assistance for 2019 crops is based on a single county payment rate multiplied by a farm's total plantings to the MFP-eligible crops in aggregate in 2019. Those per acre payments are not dependent on which of those crops are planted in 2019. A producer's total payment-eligible plantings cannot exceed total 2018 plantings. [View payment rates by county.](#)

Dairy and Hogs

Dairy producers who were in business as of June 1, 2019, will receive a per hundredweight payment on production history, and hog producers will receive a payment based on the number of live hogs owned on a day selected by the producer between April 1 and May 15, 2019.

Specialty Crops

MFP payments will also be made to producers of almonds, cranberries, cultivated ginseng, fresh grapes, fresh sweet cherries, hazelnuts, macadamia nuts, pecans, pistachios, and walnuts. Each specialty crop will receive a payment based on 2019 acres of fruit or nut bearing plants, or in the case of ginseng, based on harvested acres in 2019.

More Information

Payments will be made in up to three tranches, with the second and third tranches evaluated as market conditions and trade opportunities dictate. If conditions warrant, the second and third tranches will be made in November and early January.

MFP payments are limited to a combined \$250,000 for non-specialty crops per person or legal entity. MFP payments are also limited to a combined \$250,000 for dairy and hog producers and a combined \$250,000 for specialty crop producers. However, no applicant can receive more than \$500,000. Eligible applicants must also have an average adjusted gross income (AGI) for tax years 2015, 2016, and 2017 of less than \$900,000, or 75 percent of the person's or legal entity's average AGI for those tax years must have been derived from farming and ranching. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.

More information can be found on farmers.gov/mfp, including payment information and a program application.

New Farmers.gov Feature Helps Producers Find Farm Loans that Fit Their Operation

A new online tool can help farmers and ranchers find information on U.S. Department of Agriculture (USDA) farm loans that may best fit their operations. USDA has launched the new *Farm Loan Discovery Tool* as the newest feature on farmers.gov, the Department's self-service website for farmers.

USDA's Farm Service Agency (FSA) offers a variety of loan options to help farmers finance their operations. From buying land to financing the purchase of equipment, FSA loans can help. Compared to this time last year, FSA has seen an 18 percent increase in the amount it has obligated for direct farm ownership loans, and through the 2018 Farm Bill, has [increased the limits](#) for several loan products.

USDA conducted field research in eight states, gathering input from farmers and FSA farm loan staff to better understand their needs and challenges.

How the Tool Works

Farmers who are looking for financing options to operate a farm or buy land can answer a few simple questions about what they are looking to fund and how much money they need to borrow. After submitting their answers, farmers will be provided information on farm loans that best fit their specific needs. The loan application and additional resources also will be provided.

Farmers can download application quick guides that outline what to expect from preparing an application to receiving a loan decision. There are four guides that cover loans to individuals, entities, and youth, as well as information on microloans. The guides include general eligibility requirements and a list of required forms and documentation for each type of loan. These guides can help farmers prepare before their first USDA service center visit with a loan officer.

Farmers can access the *Farm Loan Discovery Tool* by visiting farmers.gov/fund and clicking the "Start" button. Follow the prompts and answer five simple questions to receive loan information that is applicable to your agricultural operation. The tool is built to run on any modern browser like Chrome, Edge, Firefox, or the Safari browser, and is fully functional on mobile devices. It does not work in Internet Explorer.

About Farmers.gov

In 2018, USDA unveiled farmers.gov, a dynamic, mobile-friendly public website combined with an authenticated portal where farmers will be able to apply for programs, process transactions, and manage accounts.

The *Farm Loan Discovery Tool* is one of many resources on farmers.gov to help connect farmers to information that can help their operations. Earlier this year, USDA launched the *My Financial Information* feature, which enables farmers to view their loan information, history, payments, and alerts by logging into the website.

USDA is building farmers.gov for farmers, by farmers. In addition to the interactive farm loan features, the site also offers a Disaster Assistance Discovery Tool. Farmers can visit farmers.gov/recover/disaster-assistance-tool#step-1 to find disaster assistance programs that can help their operation recover from natural disasters.

With feedback from customers and field employees who serve those customers, farmers.gov delivers farmer-focused features through an agile, iterative process to deliver the greatest

immediate value to America's agricultural producers – helping farmers and ranchers do right, and feed everyone.

For more information or to locate your USDA Service Center, visit farmers.gov.

USDA Now Making Payments for New Dairy Margin Coverage Program

The U.S. Department of Agriculture's Farm Service Agency (FSA) opened enrollment for the [Dairy Margin Coverage](#) (DMC) program on June 17 and has started issuing payments to producers who purchased coverage. Producers can enroll through Sept. 20, 2019.

Authorized by the 2018 Farm Bill, DMC replaces the Margin Protection Program for Dairy (MPP-Dairy). The program offers protection to dairy producers when the difference between the all-milk price and the average feed cost (the margin) falls below a certain dollar amount selected by the producer. To date, nearly 10,000 operations have signed up for the new program, and FSA has begun paying approximately \$100 million to producers for January through May.

May Margin Payment

DMC provides coverage retroactive to January 1, 2019, with applicable payments following soon after enrollment.

The May 2019 income over feed cost margin was \$9.00 per hundredweight (cwt.), triggering the fifth payment for eligible dairy producers who purchase the \$9.50 level of coverage under DMC. Payments for January, February, March and April also were triggered.

With the 50 percent hay blend, FSA's revised April 2019 income over feed cost margin is \$8.82 per cwt. The revised margins for January, February and March are, respectively, \$7.71, \$7.91 and \$8.66.

Coverage Levels and MPP Reimbursements

Dairy producers can choose coverage levels from \$4 up to \$9.50 at the time of signup. More than 98 percent of the producers currently enrolled have elected \$9.50 coverage on up to 95 percent of their production history.

More Information

On December 20, 2018, President Trump signed into law the 2018 Farm Bill, which provides support, certainty and stability to our nation's farmers, ranchers and land stewards by enhancing farm support programs, improving crop insurance, maintaining disaster programs and promoting and supporting voluntary conservation. FSA is committed to implementing these changes as quickly and effectively as possible, and today's updates are part of meeting that goal.

For more information, visit farmers.gov [DMC webpage](#) or contact your local USDA service center. To locate your local FSA office, visit farmers.gov/service-locator.

FSA Encourages Farmers to Vote in County Committee Elections

The 2019 Farm Service Agency County Committee Elections began on Nov. 4, when ballots were mailed to eligible voters. The deadline to return the ballots to local FSA offices, or to be postmarked, is Dec. 2, 2019.

County committee members are an important component of the operations of FSA and provide a link between the agricultural community and USDA. Farmers and ranchers elected to county committees help deliver FSA programs at the local level, applying their knowledge and judgment to make decisions on commodity price support programs; conservation programs; incentive indemnity and disaster programs for some commodities; emergency programs and eligibility. FSA committees operate within official regulations designed to carry out federal laws.

To be an eligible voter, farmers must participate or cooperate in an FSA program. A person who is not of legal voting age but supervises and conducts the farming operations of an entire farm, may also be eligible to vote.

This year (**2019**), the following local administrative areas (LAA's) are up for County Committee Elections for Rhode Island;

LAA-5: Bristol County

LAA-2: Kent County

LAA-4: Newport County

Eligible voters in the local administrative areas above who do not receive a ballot can obtain one from their local USDA Service Center.

Newly elected committee members will take office Jan. 1, 2020.

More information on county committees, such as the new 2019 fact sheet, can be found on the FSA website at fsa.usda.gov/elections or at a local USDA Service Center.

Higher Limits Now Available on USDA Farm Loans

Higher limits are now available for borrowers interested in USDA's farm loans, which help agricultural producers purchase farms or cover operating expenses. The 2018 Farm Bill increased the amount that producers can borrow through direct and guaranteed loans available through USDA's Farm Service Agency (FSA) and made changes to other loans, such as microloans and emergency loans.

Key changes include:

- The Direct Operating Loan limit increased from \$300,000 to \$400,000, and the Guaranteed Operating Loan limit increased from \$ 1.429 million to \$1.75 million. Operating loans help producers pay for normal operating expenses, including machinery and equipment, seed, livestock feed, and more.

- The Direct Farm Ownership Loan limit increased from \$300,000 to \$600,000, and the Guaranteed Farm Ownership Loan limit increased from \$1.429 million to \$1.75 million. Farm ownership loans help producers become owner-operators of family farms as well as improve and expand current operations.
- Producers can now receive both a \$50,000 Farm Ownership Microloan and a \$50,000 Operating Microloan. Previously, microloans were limited to a combined \$50,000. Microloans provide flexible access to credit for small, beginning, niche, and non-traditional farm operations.
- Producers who previously received debt forgiveness as part of an approved FSA restructuring plan are now eligible to apply for emergency loans. Previously, these producers were ineligible.
- Beginning and socially disadvantaged producers can now receive up to a 95 percent guarantee against the loss of principal and interest on a loan, up from 90 percent.

About Farm Loans

Direct farm loans, which include microloans and emergency loans, are financed and serviced by FSA, while guaranteed farm loans are financed and serviced by commercial lenders. For guaranteed loans, FSA provides a guarantee against possible financial loss of principal and interest.

For more information on FSA farm loans, visit www.fsa.usda.gov or contact your [local USDA service center](#).

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).