March 2016

South Carolina Farm Service Agency March Newsletter

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Message from the State Executive Director

A critical component of our program delivery is providing credit. We make loans to those who cannot get commercial credit, however most of our loan assistance is direct to beginning farmers and ranchers, veterans, and underserved producers. We have an operating microloan and a new farm ownership microloan ($50,000 and less). Microloans offer a reduced application and flexible collateral requirements for the smaller loan amounts. We have also expanded our facility loan program to include milk and dairy products, aquaculture, floriculture, hops, meat and poultry. This expansion includes storage and handling equipment for local and direct marketing.

FSA and NRCS have been monitoring highly erodible land and wetlands since 1986. If you are unsure of your conservation plan or system, talk to your local office. No till, residue requirements, tiling and other activities may impact USDA programs including your crop insurance premium subsidy. If you are uncertain, give your Service Center a call.

Now is the time to enroll in the 2016 ARC PLC programs. If you have not done so, give FSA a call for an appointment.
USDA Regional Climate Change Hubs

Agriculture Secretary Tom Vilsack established the first ever USDA Regional Climate Change Hubs in February 2014 at seven locations around the country to provide more information to farmers, ranchers and forest landowners on the increasing risks of fires, pests, floods, and droughts associated with a changing climate. For general information on Climate Hubs, visit [http://www.climatehubs.oece.usda.gov/sites/default/files/USDA%20Regional%20Hubs%20for%20Risk%20Adaptation%20and%20Mitigation%20to%20Climate%20Change%202015.pdf](http://www.climatehubs.oece.usda.gov/sites/default/files/USDA%20Regional%20Hubs%20for%20Risk%20Adaptation%20and%20Mitigation%20to%20Climate%20Change%202015.pdf)

For information on the Climate Hub in your Region, visit [http://climatehubs.oece.usda.gov](http://climatehubs.oece.usda.gov) and Click on the region to learn more.

USDA Approves Emergency Forest Restoration Assistance for Counties in SC

USDA Farm Service Agency (FSA) is approved to accept applications for the Emergency Forest Restoration Program (EFRP) to address flood damages in SC for certain affected counties.

EFRP provides payments to eligible owners of nonindustrial private forest (NIPF) land to enable the owners to carry out emergency measures to restore land damaged by a natural disaster. EFRP sign-up will begin on April 1, 2016, and end on May 30, 2016.

After applications are received the South Carolina Forestry Commission will provide technical assistance by evaluating the damage and developing a plan to restore the NIPF land. The local FSA county committee will determine land eligibility and approve applications.

In order to meet eligibility requirements, NIPF land must have existing tree cover or had tree cover immediately before the natural disaster occurred and be sustainable for growing trees. The land must also be owned by any nonindustrial private individual, group, association, corporation or other private legal entity that has definitive decision-making authority over the land. The natural disaster must have resulted in damage that if untreated would impair or endanger the natural resources on the land and/or materially affect future use of the land. Individuals may receive up to 75 percent of the eligible cost of restoring the damage. The minimum qualifying cost of restoration is $1000 per participant, approximately five acres, unless a waiver is requested and approved.

Please contact your local county FSA office for more information and to see if your county is eligible. You may also visit [http://disaster.fsa.usda.gov](http://disaster.fsa.usda.gov).

Double-Cropping

Each year, state committees will review and approve or disapprove county committee recommended changes or additions to specific combinations of crops.

Double-cropping is approved when the two specific crops have the capability to be planted and carried to maturity for the intended use, as reported by the producer, on the same acreage within a crop year under normal growing conditions. The specific combination of crops recommended by the county committee must be approved by the state committee.

Double-cropping is approved in SC on a county-by-county basis. Contact your local FSA Office for a list of approved double-cropping combinations for your county.
A crop following a cover crop terminated according to termination guidelines is approved double cropping and these combinations do not have to be approved by the state committee.

**USDA Financial Assistance Available to Help Organic Farmers Create Conservation Buffers**

USDA is assisting organic farmers with the cost of establishing up to 20,000 acres of new conservation buffers and other practices on and near farms that produce organic crops.

The financial assistance is available from the USDA Conservation Reserve Program (CRP), a federally funded voluntary program that contracts with agricultural producers so that environmentally sensitive land is not farmed or ranced, but instead used for conservation benefits. CRP participants establish long-term, resource-conserving plant species, such as approved grasses or trees (known as “covers”) to control soil erosion, improve water quality and develop wildlife habitat. In return, FSA provides participants with rental payments and cost-share assistance. Contract duration is between 10 and 15 years.

For conservation buffers, funds are available for establishing shrubs and trees, or supporting pollinating species, and can be planted in blocks or strips. Interested organic producers can offer eligible land for enrollment in this initiative at any time.

Other USDA FSA programs that assist organic farmers include:

- The Noninsured Crop Disaster Assistance Program that provides financial assistance for 55 to 100 percent of the average market price for organic crop losses between 50 to 65 percent of expected production due to a natural disaster.

- Marketing assistance loans that provide interim financing to help producers meet cash flow needs without having to sell crops during harvest when market prices are low, and deficiency payments to producers who forgo the loan in return for a payment on the eligible commodity.

- A variety of loans for operating expenses, ownership or guarantees with outside lenders, including streamlined microloans that have a lower amount of paperwork.

- Farm Storage Facility Loans for that provide low-interest financing to build or upgrade storage facilities for organic commodities, including cold storage, grain bins, bulk tanks and drying and handling equipment.

- Services such as mapping farm and field boundaries and reporting organic acreage that can be provided to a farm’s organic certifier or crop insurance agent.

Visit [www.fsa.usda.gov/organic](http://www.fsa.usda.gov/organic) to learn more about how FSA can help organic farmers. For an interactive tour of CRP success stories, visit [www.fsa.usda.gov/CRPis30](http://www.fsa.usda.gov/CRPis30) or follow #CRPis30 on Twitter. To learn more about FSA programs visit a local FSA office or [www.fsa.usda.gov](http://www.fsa.usda.gov). To find your local FSA office, visit [http://offices.usda.gov](http://offices.usda.gov).

**Farm Storage Facility Loans**

FSA's Farm Storage Facility Loan (FSFL) program provides low-interest financing to producers to build or upgrade storage facilities.

The low-interest funds can be used to build or upgrade permanent facilities to store commodities. Eligible commodities include corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds harvested as whole grain, pulse crops (lentils, chickpeas and dry peas), hay, honey, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple sap, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Qualified facilities include grain bins, hay barns and cold storage facilities for eligible commodities.

Loans up to $50,000 can be secured by a promissory note/security agreement and some loans between $50,000 and $100,000 will no longer 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 www.fsa.usda.gov/pricesupport or contact your local FSA county office. To find your local FSA county office, visit http://offices.usda.gov.

**Conservation Compliance Critical To Eligibility for Benefits**

Producers are reminded that compliance with Highly Erodible Lands (HEL) and Wetland Conservation (WC) provisions is required to maintain eligibility for federal farm programs and crop insurance subsidies. Conservation compliance refers to the USDA requirement that highly erodible lands be farmed in a manner that maintains a certain level of surface residue and minimizes soil erosion. This may include taking steps such as incorporating minimal or no-till operations, or planting cover crops. Conservation compliance also prohibits the conversion of a wetland, or planting of an agricultural commodity on a converted wetland, including a wetland that was converted in prior years. Converting a wetland may include activities such as removal of trees, installing new drainage, or modifying existing drainage to an area.

Producers should file Form AD-1026 with FSA prior to breaking new ground, and conducting land clearing or drainage type projects to ensure the proposed actions meet compliance criteria. Once the AD-1026 is filed, the Natural Resources Conservation Service (NRCS) will need to review the project area to ensure the proposed work will not put your eligibility for benefits at risk. It’s important to ensure this review is completed prior to initiating the work.

It’s important to review and understand the existing highly erodible land (HEL) and wetland (W) determinations on your farms, and indicated on FSA maps, and visit with NRCS regarding what steps are required on HEL to ensure that an approved conservation system is being actively applied. Producers can request that NRCS develop a conservation plan to outline the use of crop rotations, tillage methods, cover crops, and other conservation practices to ensure compliance with HEL provisions. When weather events or some other circumstance occurs that is not addressed in the conservation plan, producers should consult with NRCS staff to ensure any proposed changes in tillage or cropping will not result in a compliance issue.

**Guaranteed Conservation Loans**

Guaranteed Conservation Loans are available for applicants to install a conservation practice. These funds may be used for any conservation activities included in a conservation plan or Forest Stewardship Management plan.

A copy of the conservation plan is required to complete the application. These loans are not limited to just family farmers. In some cases, applicants can operate non-eligible enterprises.

Loan funds are issued by a participating commercial lender and guaranteed up to 80 percent by FSA or up to 90 percent for beginning and targeted underserved producers..

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.

**Loan Servicing**

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ASKFSA

Are you looking for answers to your FSA questions? Then ASK FSA at askfsa.custhelp.com.

AskFSA is an online resource that helps you easily find information and answers to your FSA questions no matter where you are or what device you use. It is for ALL customers, including underserved farmers and ranchers who wish to be enrolled in FSA loans, farm, and conservation programs.

Through AskFSA you can:

- Access our knowledge base 24/7
- Receive answers to your questions faster
- Submit a question and receive a timely response from an FSA expert
- Get notifications when answers important to you and your farming operation are updated
- Customize your account settings and view responses at any time.

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).