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Farm Service Agency **Electronic News Service**

# NEWSLETTER

**GovDelivery**

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## FSA News - Lone Star State Edition

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### Farm Service Agency Texas State Office

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Gary L. Six

**State Committee:**  
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Erasmo (Eddie) Trevino

**Division Chiefs:**  
Ronda Arnett  
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### From the State Executive Director

The USDA is possibly the most customer-focused department in the federal government. But we also realize face-to-face customer service is not always practical in every situation. So we have developed tools to maintain that connection when needed.

We know that your time is valuable, and visiting a county office is not always an option. The U.S. Secretary of Agriculture, Sonny Perdue, recently unveiled [Farmers.gov](#), a one-stop website for agricultural producers to make appointments with USDA offices, file forms, and apply for USDA programs. The website covers services offered by the three agencies in USDA's Farm Production and Conservation mission area: the FSA, the Natural Resources Conservation Service (NRCS), and the Risk Management Agency (RMA).

Another efficient way to get FSA news and important program reminders is by subscribing to our GovDelivery electronic news service. Subscribers can choose to receive monthly emailed local news Bulletins from any county, as well as a monthly statewide Newsletter.

GovDelivery subscribers can also receive time-sensitive local FSA text message alerts on their cell phone. Contact the nearest county FSA office for more information, or visit [www.fsa.usda.gov/tx](http://www.fsa.usda.gov/tx).

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To find contact information for your local office go to:

<http://www.fsa.usda.gov/tx>

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I always enjoy talking with our farmers and ranchers about the current programs FSA has to offer and finding the right programs for each producer and each operation, but I also look forward to providing new tools and services that will help us all do right and feed everyone as effectively as possible.

Sincerely,

Gary L. Six  
State Executive Director

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## Tree Assistance Program (TAP) Sign-up

Orchardists and nursery tree growers who experienced losses from natural disasters during 2017 and 2018 may apply for the Tree Assistance Program (TAP). TAP applications must be submitted either 90 calendar days after the disaster event or the date when the loss is apparent.

TAP was authorized by the Agricultural Act of 2014 as a permanent disaster program. TAP provides financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes and vines damaged by natural disasters.

Eligible tree types include trees, bushes or vines that produce an annual crop for commercial purposes. Nursery trees include ornamental, fruit, nut and Christmas trees that are produced for commercial sale. Trees used for pulp or timber are ineligible.

To qualify for TAP, orchardists must suffer a qualifying tree, bush or vine loss in excess of 15 percent mortality from an eligible natural disaster. The eligible trees, bushes or vines must have been owned when the natural disaster occurred; however, eligible growers are not required to own the land on which the eligible trees, bushes and vines were planted.

If the TAP application is approved, the eligible trees, bushes and vines must be replaced within 12 months from the date the application is approved. The cumulative total quantity of acres planted to trees, bushes or vines, for which a producer can receive TAP payments, cannot exceed 500 acres annually.

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## USDA Encourages Producers to Consider NAP Risk Protection before Crop Sales Deadlines

The Farm Service Agency encourages producers to examine available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the applicable crop sales deadline.

Producers are reminded that crops not covered by insurance may be eligible for NAP. The 2014 Farm Bill expanded NAP to include higher levels of protection. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage, as well as discounted premiums for additional levels of protection."

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.

*(Cont'd...)*

Producers can determine if crops are eligible for federal crop insurance or NAP by visiting: <https://webapp.rma.usda.gov/apps/actuarialinformationbrowser2017/CropCriteria.aspx>.

NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production, with higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price, including coverage for organics and crops marketed directly to consumers.

Deadlines for coverage vary by state and crop. To learn more about NAP visit [www.fsa.usda.gov/nap](http://www.fsa.usda.gov/nap) or contact your local USDA Service Center. To find your local USDA Service Centers go to <http://offices.usda.gov>.

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:

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

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## 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.

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## Recourse Seed Cotton Loans

Cotton producers can request a recourse seed cotton loan at their local Farm Service Agency (FSA) office. Due to this year's large cotton crop and delayed ginning, these seed cotton loans can provide interim financing to producers until their cotton is ginned.

Recourse seed cotton loans are available from the beginning of harvest through March 31, 2018. Seed cotton loans must be repaid by May 31, 2018.

After the cotton has been ginned, the seed cotton loan is repaid with proceeds from the ginned cotton.

County Offices will provide written or e-mail notification to every Cooperative Marketing Association (CMA) or Loan Servicing Agent (LSA) used by the producer to ensure that the proceeds from a ginned cotton loan are used to repay a seed cotton loan obligation. Any proceeds obtained from LSA or CMA, whether from a loan or Loan Deficiency Payment (LDP), will be jointly payable to the producer and to the Commodity Credit Corporation if these proceeds are from a loan for the same cotton that is collateral for the seed cotton loan.

Contact your local FSA office to learn about eligible requirements or to request a seed cotton loan.

## FSA Direct Loans

FSA offers direct farm ownership and direct farm operating Loans to producers who want to establish, maintain or strengthen their farm or ranch. FSA loan officers process, approve and service direct loans.

Direct farm operating loans can be used to purchase livestock and feed, farm equipment, fuel, farm chemicals, insurance and other costs including family living expenses. Operating loans can also be used to finance minor improvements or repairs to buildings and to refinance some farm-related debts, excluding real estate.

Direct farm ownership loans can be used to purchase farmland, enlarge an existing farm, construct and repair buildings, and to make farm improvements.

The maximum loan amount for both direct farm ownership and operating loans is \$300,000 and a down payment is not required. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your local FSA office for more information or to apply for a direct farm ownership or operating loan.

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## Guaranteed Loan Program

FSA guaranteed loans allow lenders to provide agricultural credit to farmers who do not meet the lender's normal underwriting criteria. Farmers and ranchers apply for a guaranteed loan through a lender, and the lender arranges for the guarantee. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. Guaranteed loans can be used for both farm ownership and operating purposes.

Guaranteed farm ownership loans can be used to purchase farmland, construct or repair buildings, develop farmland to promote soil and water conservation or to refinance debt.

Guaranteed operating loans can be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance and other operating expenses.

FSA can guarantee farm ownership and operating loans up to \$1,399,000. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your lender or local FSA farm loan office for more information on guaranteed loans.

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## Supervised Credit

Farm Service Agency (FSA) Farm Loan programs are considered supervised credit. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Therefore, it is our goal to help you graduate to commercial credit, and our farm loan staff is available to help borrowers through training and credit counseling.

The FSA team will help borrowers identify their goals to ensure financial success. Through this process, FSA staff will advise borrowers in developing strategies and a plan to meet your operation's goals and graduate to commercial credit. Ultimately, the borrower is responsible for the success of the farming operation, but FSA's staff will help in an advisory role to provide the tools necessary to help you achieve your operational goals and manage your finances.

For more information on FSA farm loan programs, visit [www.fsa.usda.gov](http://www.fsa.usda.gov).

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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).