Vermont FSA June 2018 Newsletter

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Vermont FSA Newsletter

USDA Extends Application Deadline for Dairy Margin Protection Program to June 22
The re-enrollment deadline for the Margin Protection Program (MPP) for Dairy has been extended until June 22, 2018.

The new and improved program protects participating dairy producers when the margin – the difference between the price of milk and feed costs – falls below levels of protection selected by the applicant.

The re-enrollment deadline was previously extended through June 8, 2018. The deadline is being extended a second time to ensure that dairy producers are given every opportunity to make a calculated decision and enroll in the program if they choose.

This will be the last opportunity for producers to take advantage of key adjustments Congress made to provisions of the MPP program under the Bipartisan Budget Act of 2018 to strengthen its support of dairy producers. USDA encourages producers contemplating enrollment to use the online web resource at www.fsa.usda.gov/mpptool to calculate the best levels of coverage for their dairy operation.

The next margin under MPP, for May 2018, will be published on June 28, 2018. Therefore, all coverage elections on form CCC-782 and the $100 administrative fee, unless exempt, must be submitted to the County FSA Office no later than June 22, 2018. No registers will be utilized, so producers are encouraged to have their enrollment for 2018 completed by COB June 22, 2018.

All dairy operations must make new coverage elections for 2018 during the re-enrollment period, even if the operation was enrolled during the previous 2018 signup. Coverage elections made for 2018 will be retroactive to January 1, 2018. MPP payments will be sequestered at a rate of 6.6 percent.

To learn more about the Margin Protection Program for dairy, contact your local USDA Farm Service Agency county office at offices.usda.gov or visit us on the Web at www.fsa.usda.gov.

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**USDA Partners with Texas A&M to Help Veterans Seeking Agriculture Loans and Careers**

USDA announced a partnership between the U.S. Department of Agriculture (USDA) and Texas A&M’s AgriLife Extension Service to help military veterans obtain loans and pursue careers as farmers and ranchers. Secretary Perdue joined local dignitaries, members of the Armed Forces, veterans, and community leaders at the Dallas Farmers Market to unveil the new pilot program.

USDA’s [Farm Service Agency](https://www.fsa.usda.gov) (FSA) is collaborating with AgriLife Extension Service on the pilot, which is part of the Texas A&M Battleground to Breaking Ground project. The program makes it easier
for veterans to meet federal requirements to get FSA direct farm ownership loans, which can help provide access to land and capital.

The pilot program, which will include 15 to 18 veterans, will roll out in three phases: an introductory workshop, a business planning curriculum, and a production curriculum over a period of 12 to 18 months.

Typically, loan applicants must participate in the business operations of a farm for at least three years during a 10-year period. However, as part of this pilot program, participants can combine the certificate they receive with their military leadership or management experience to satisfy this requirement. According to the U.S. Department of Labor, approximately 45 percent of armed service members are from rural America.

Pilot program applications will be accepted from interested veterans between June 15 and July 20, 2018, until 11 p.m. central standard time, apply here. For more information about USDA programs, visit newfarmers.usda.gov/veterans or https://www.farmers.gov.

To learn about other ways USDA is supporting veterans, visit https://www.usda.gov/our-agency/initiatives/veterans, and watch https://www.youtube.com/watch?v=OAeLqXHUU3w.

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**2015, 2016 and 2017 Average Adjusted Gross Income Compliance Reviews**

The AGI verification and compliance reviews for 2015, 2016 and 2017 are conducted on producers who the IRS indicated may have exceeded the adjusted gross income limitations described in [7 CFR 1400.500]. Based on this review, producers will receive determinations of eligibility or ineligibility.

If the producer is determined to have exceeded the average AGI limitation of $900,000, receivables will be established for payments earned directly or indirectly by the producer subject to the $900,000 limitation. The State FSA Office has begun notifying producers selected for review. If you have any questions about the review process or determinations, please contact the Vermont FSA Office at (802) 658-2803. Producers who receive initial debt notification letters may only appeal the amount of the debt to their local FSA office. Payment eligibility adverse determinations become administratively final 30 days from the date of the payment eligibility adverse determination letter and can only be reopened if exceptional circumstances exist that prevented the producer from timely filing the appeal.

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**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 Vermont 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.

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**Reporting Organic Crops**

Producers who want to use the Noninsured Crop Disaster Assistance Program (NAP) organic price and selected the "organic" option on their NAP application must report their crops as organic.

When certifying organic acres, the buffer zone acreage must be included in the organic acreage.

Producers must also provide a current organic plan, organic certificate or documentation from a certifying agent indicating an organic plan is in effect. Documentation must include:

- name of certified individuals
- address
- telephone number
- effective date of certification
- certificate number
- list of commodities certified
- name and address of certifying agent
- a map showing the specific location of each field of certified organic, including the buffer zone acreage

Certification exemptions are available for producers whose annual gross agricultural income from organic sales totals $5,000 or less. Although exempt growers are not required to provide a written certificate, they are still required to provide a map showing the specific location of each field of certified organic, transitional and buffer zone acreage.

For questions about reporting organic crops, contact your local FSA office. To find your local office, visit [http://offices.usda.gov](http://offices.usda.gov).

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**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](http://www.fsa.usda.gov).