USDA Announces Enrollment Period for Safety Net Coverage in 2018

FSA today announced that starting Nov. 1, 2017, farmers and ranchers with base acres in the Agriculture Risk Coverage (ARC) or

Vermont FSA Newsletter

Vermont Farm Service Agency

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FSA today announced that starting Nov. 1, 2017, farmers and ranchers with base acres in the Agriculture Risk Coverage (ARC) or
Price Loss Coverage (PLC) safety net program may enroll for the 2018 crop year. The enrollment period will end on Aug. 1, 2018.

Since shares and ownership of a farm can change year-to-year, producers must enroll by signing a contract each program year.

The producers on a farm that are not enrolled for the 2018 enrollment period will not be eligible for financial assistance from the ARC or PLC programs for the 2018 crop should crop prices or farm revenues fall below the historical price or revenue benchmarks established by the program. Producers who made their elections in previous years must still enroll during the 2018 enrollment period.

The ARC and PLC programs were authorized by the 2014 Farm Bill and offer a safety net to agricultural producers when there is a substantial drop in prices or revenues for covered commodities. Covered commodities include barley, canola, large and small chickpeas, com, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium grain rice (which includes short grain and sweet rice), safflower seed, sesame, soybeans, sunflower seed and wheat. Upland cotton is no longer a covered commodity. For more details regarding these programs, go to www.fsa.usda.gov/arc-plc.

For more information, producers are encouraged to visit their local FSA office. To find a local FSA office, visit http://offices.usda.gov.

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**USDA Processing Pending Conservation Reserve Program Continuous Enrollment Offers**

**Acceptance of Most 2018 Offers Temporarily Suspended**

USDA’s Farm Service Agency (FSA) will process many pending eligible offers for land enrollment in the Conservation Reserve Program (CRP), and will temporarily suspend accepting most new offers until later in the 2018 fiscal year.

All current, eligible CRP continuous enrollment offers made through Sept. 30, 2017, except for those made under the Pollinator Habitat Initiative (CP42), will be approved. Additionally, FSA is temporarily suspending acceptance of most offers going forward to provide time to review CRP allocation levels, and to avoid exceeding the statutory cap of 24 million acres.

The CRP acreage cap is a provision of the 2014 Farm Bill. Current enrollment is about 23.5 million acres nationwide. USDA is accepting all pending continuous enrollment offers that were made beginning on May 4, 2017, and extending through Sept. 30, 2017, except Pollinator Habitat Initiative offers. Pollinator acreage offers are being declined because the program has met its acreage enrollment goal. Effective immediately, USDA is suspending acceptance of all new CRP continuous offers received or submitted after Sept. 30, 2017. The suspension will continue until later in the 2018 fiscal year.
However, FSA will continue to accept eligible offers for state-specific Conservation Reserve Enhancement Program (CREP) and CRP Grasslands enrollment. Offers received on or after Oct. 1, 2017, are subject to fiscal year 2018 rental rates which have been adjusted to reflect current market conditions and were established after careful review of the latest USDA National Agricultural Statistics Service (NASS) cash rent data.

In return for enrolling in CRP, USDA, through FSA, provides participants with rental payments and cost-share assistance. Landowners enter into contracts that last between 10 and 15 years. CRP pays farmers and ranchers who remove sensitive lands from production and plant certain grasses, shrubs and trees that improve water quality, prevent soil erosion and increase wildlife habitat. Payment totals for 2017 were announced earlier this week totaling over $1.6 billion.

For more information about CRP, contact your local FSA office or visit www.fsa.usda.gov/crp. To locate your local FSA office, visit http://offices.usda.gov.

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**Transitioning Expiring CRP Land to Beginning, Veteran or Underserved Farmers and Ranchers**

Retired or retiring landowners or operators are encouraged to transition their Conservation Reserve Program (CRP) acres to beginning, veteran or underserved farmers or ranchers through the Transition Incentives Program (TIP). TIP provides annual rental payments to the retiring farmer for up to two additional years after the CRP contract expires, provided the transition is not to a family member.

Enrollment in TIP is on a continuous basis. Beginning, veteran or underserved farmers and ranchers and retiring CRP participants may enroll in TIP beginning one year before the expiration date of the CRP contract or Aug. 15. For example, if a CRP contract is scheduled to expire on Sept. 30, 2018, the land may be offered for enrollment in TIP beginning Oct. 1, 2017, through Aug. 15, 2018. The Aug. 15 deadline allows the Natural Resources Conservation Service (NRCS) time to complete the TIP sustainable grazing or crop production conservation plans. The TIP application must be submitted prior to completing the lease or sale of the affected lands.

New landowners or renters must return the land to production using sustainable grazing or farming methods.

For more information on TIP, visit https://www.fsa.usda.gov/conservation.

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**Malted Grains and Maple Syrup Eligible for Farm Storage Facility Loans**

Malted small grains and maple syrup are now eligible for Farm Storage Facility Loans (FSFL) through the USDA Farm Service Agency (FSA).

FSFLs provide low-interest financing to producers to build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

The eligible commodities have been expanded to include malted small grains and maple syrup. Eligible malted small grains include barley, oats, rice, rye and wheat. Maple sap is used to produce maple syrup.
The low-interest funds can be used for:

- bottler or filling systems for maple syrup, excluding containers
- equipment to improve, maintain, or monitor the quality of stored FSFL commodities, such as cleaners, moisture testers, heat detectors, along with a proposed storage facility
- handling and drying equipment determined by the County Committee to be needed and essential to the proper functioning of a storage system
- electrical equipment, such as pumps, lighting, motors, and wiring, integral to the proper operation of the storage and handling equipment, excluding installing electric service to the electrical meter.

FSFLs are not available for the actual processing of the small grain into the malted commodity or maple sap into maple syrup. Additionally, purchased commodities are not eligible for FSFLs.

The following storage and handling equipment is ineligible for FSFLs:

- boiling equipment
- feed handling and processing equipment
- production and feed facilities
- structures of a temporary nature not having a useful life of the term of the loan
- maple sap tubing and pumping systems.

Loans up to $50,000 can be secured by a promissory note/security agreement. Loans exceeding $50,000 require additional security according to policy established by the Vermont FSA State Committee.

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 office.

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**Emergency Conservation Program Assistance Available in Vermont Counties**

The Emergency Conservation Program (ECP) provides emergency funding and technical assistance to farmers and ranchers to rehabilitate farmland damaged by natural disasters and to implement emergency water conservation measures in periods of severe drought.

The following counties are eligible for ECP assistance:

1. Addison
2. Chittenden
3. Franklin
4. Washington

A deadline to sign up will be announced.
For land to be eligible, the natural disaster must create new conservation problems that, if untreated, would:

- be so costly to rehabilitate that Federal assistance is or will be needed to return the land to productive agricultural use
- be unusual and is not the type that would recur frequently in the same area
- affect the productive capacity of the farmland
- impair or endanger the land

A producer qualifying for ECP assistance may receive cost-share levels not to exceed 75 percent of the eligible cost of restoration measures. No producer is eligible for more than $200,000 cost sharing per natural disaster occurrence. The following types of measures may be eligible:

- removing debris from farmland
- grading, shaping, or releveling severely damaged farmland
- restoring permanent fences
- restoring conservation structures and other similar installations

Producers who suffered a loss from a natural disaster should contact their local FSA Office for ECP deadlines.

To be eligible for assistance, practices must not be started until all of the following are met:

- an application for cost-share assistance has been filed
- the local FSA County Committee (COC) or its representative has conducted an onsite inspection of the damaged area
- the Agency responsible for technical assistance, such as the Natural Resource Conservation Service (NRCS), has made a needs determination, which may include cubic yards of earthmoving, etc., required for rehabilitation

For more information about ECP, please visit [www.fsa.usda.gov](http://www.fsa.usda.gov).

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**Preauthorized Debit Available for Farm Loan Borrowers**

USDA Farm Service Agency (FSA) has implemented pre-authorized debit (PAD) for Farm Loan Program (FLP) borrowers. PAD is a voluntary and alternative method for making weekly, bi-weekly, monthly, quarterly, semi-annual or annual payments on loans.

PAD payments are pre authorized transactions that allow the National Financial and Accounting Operations Center (NFAOC) to electronically collect loan payments from a customer's account at a financial institution.

PAD may be useful for borrowers who use nonfarm income from regular wages or salary to make payments on loans or adjustment offers or for payments from seasonal produce stands. PAD can only be established for future payments.

To request PAD, customers, along with their financial institution, must fill out form RD 3550-28. This form has no expiration date, but a separate form RD 3550-28 must be completed for each loan to which payments are to be applied. A fillable form can be accessed on the USDA Rural Development (RD) website at [http://www.rd.usda.gov/publications/regulations-guidelines](http://www.rd.usda.gov/publications/regulations-guidelines). Click forms and search for “Form 3550-28.”
If you have a “filter” on the account at your financial institution, you will need to provide the financial institution with the following information: Origination ID: 1220040804, Agency Name: USDA RD DCFO.

PAD is offered by FSA at no cost. Check with your financial institution to discuss any potential cost. Preauthorized debit has no expiration date, but you can cancel at any time by submitting a written request to your local FSA office. If a preauthorized debit agreement receives three payment rejections within a three month period, the preauthorized debt agreement will be cancelled by FSA. The payment amount and due date of your loan is not affected by a cancellation of preauthorized debit. You are responsible to ensure your full payment is made by the due date.

For more information about PAD, contact your local FSA office. To find a local FSA office, visit http://offices.usda.gov.

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).