February 2015

February Topics

Virginia FSA Newsletter and Updates

Virginia FSA State Office

J. Calvin Parrish
State Executive Director

1606 Santa Rosa Rd
Suite 138
Richmond, VA 23229

804-287-1503 phone
855-621-5866 fax

Hours

Monday - Friday
7:30 a.m. - 4:30 p.m.

State Office Staff
Pete Adamson, Chief

Important ARC/PLC Program Deadlines Approaching

Producers are reminded that the deadline to update yield history and/or reallocate base acres is Feb. 27, 2015. Farm owners and producers can choose between the new 2014 Farm Bill established programs, Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) through March 31, 2015. The new programs, designed to help producers better manage risk, usher in one of the most significant reforms to U.S. farm programs in decades.

USDA helped create online tools to assist in the decision process, allowing farm owners and producers to enter information about their operation and see projections that show what ARC and/or PLC will mean for them under possible future scenarios. Farm owners and producers can access the online resources, available at www.fsa.usda.gov/arc-plc,from the convenience of their home computer or mobile device at any time.

Covered commodities include barley, canola, large and small

Farm Loans

Brent L. Whitlock, Chief
Farm Programs

Connie Washburn-Marsh,
Chief Administration Officer

Virginia FSA Internet

More Information about Virginia FSA programs, activities and news can be found on the VA FSA Internet at

http://www.fsa.usda.gov/va

To learn more about FSA programs you can also visit the National website at http://www.fsa.usda.gov

chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium grain rice (which includes short grain rice), safflower seed, sesame, soybeans, sunflower seed and wheat. Upland cotton is no longer a covered commodity.

Dates associated with ARC and PLC that farm owners and producers need to know:

· Now through Feb. 27, 2015: Farm owners may visit their local Farm Service Agency office to update yield history and/or reallocate base acres.

· Now through March 31, 2015: Producers make a one-time election between ARC and PLC for the 2014 through 2018 crop years.

· Mid-April 2015 through summer 2015: Producers sign contracts for 2014 and 2015 crop years.

· October 2015: Payments issued for 2014 crop year, if needed.

To learn more about which safety net options are most appropriate for specific farming operations, farmers can use new Web tools at www.fsa.usda.gov/arc-plc, which can be accessed from the convenience of a home computer or a mobile device at any time. To learn more about upcoming educational meetings, farmers can contact their local Farm Service Agency county office at http://offices.sc.egov.usda.gov/locator/app.

USDA Creates More Bird Habitat Opportunities on Irrigated Farmland

USDA's Farm Service Agency (FSA) announces more bird habitats to be established in irrigated farmland regions through the Conservation Reserve Program (CRP).

Declines in upland bird populations, such as the northern bobwhite, pheasant, and prairie chicken, led to the creation of new Conservation Reserve Program features to help restore habitats for these species in these agricultural areas. Since the program's creation in 2004, more than 240,000 acres of marginal cropland has been converted to native grasslands, spurring an increase in upland bird populations.

In recent years, however, applications for this type of habitat creation have slowed. To encourage more participation, USDA's new policy focuses on farmland with center-pivot irrigation systems where there are circular areas of cropland with patches of land beyond the reach of irrigation. Until now, these patches – known as pivot corners – were only eligible for habitat creation when connected by a linear strip of grassland also enrolled in the program. The new policy allows producers interested in habitat creation to use disconnected pivot corners to help increase the population of upland birds.

Other species that can benefit from today's change include the mourning dove, wild turkey, several sparrows, meadowlark and bobolinks.

The Conservation Reserve Program and the Conservation Reserve Enhancement Program (CREP) are voluntary programs. FSA contracts with agricultural landowners so that environmentally sensitive land is not farmed but instead used for conservation. Participants in CRP establish long-term plant species that control soil erosion, sequester carbon, improve water quality, and strengthen declining wildlife populations. In return, participants receive annual rental payments between 10 and 15 years and cost share to establish the habitat. Participants in CREP receive annual rental payments between 10 and 15 years, cost share for practice installation and incentive payments.

Interested landowners can enroll pivot corners in the Conservation Reserve Program at any time. Participants and land must meet certain eligibility requirements. Other restrictions may apply. For additional details, contact your local Farm Service Agency office at offices.usda.gov or visit the website at www.fsa.usda.gov/conservation.

USDA Announces New Support for Beginning Farmers and Ranchers

Department Implementing New Farm Bill Programs, Unveiling New Centralized Online Resource to Support Next Generation of Farmers

USDA has announced the implementation of new Farm Bill measures and other policy changes to improve the financial security of new and beginning farmers and ranchers. USDA also unveiled www.USDA.gov/newfarmers, a new website that will provide a centralized, one-stop resource where beginning farmers and ranchers can explore the variety of USDA initiatives designed to help them succeed.

USDA's www.usda.gov/newfarmers has in depth information for new farmers and ranchers, including: how to increase access to land and capital; build new market opportunities; participate in conservation opportunities; select and use the right risk management tools; and access USDA education, and technical support programs. These issues have been identified as top priorities by new farmers. The website will also feature instructive case studies about beginning farmers who have successfully utilized USDA resources to start or expand their business operations.

Today's policy announcements in support of beginning farmers and ranchers include:

- Waiving service fees for new and beginning farmers or ranchers to enroll in the Non-Insured Crop Disaster Assistance Program (NAP) for the 2014 crop year. NAP provides risk management tools to farmers who grow crops for which there is no crop insurance product. Under this waiver, announced via an official notice to Farm Service Agency offices, farmers and ranchers who already enrolled in NAP for the 2014 crop year and certified to being a beginning farmer or social disadvantaged farmer are eligible for a service fee refund.

- Eliminating payment reductions under the Conservation Reserve Program (CRP) for new and beginning farmers which will allow routine, prescribed, and emergency grazing outside the primary nesting season on enrolled land consistent with approved conservation plans. Previously, farmers and ranchers grazing on CRP land were subject to a reduction in CRP payments of up to 25 percent. Waiving these reductions for new and beginning farmers will provide extra financial support during times of emergency like drought and other natural disasters.

- Increasing payment rates to beginning farmers and ranchers under Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP). Under this provision, beginning farmers can claim up 90 percent of losses for lost livestock, such as bees, under ELAP. This is a fifty percent increase over previously available payment amounts to new and beginning farmers.

In the near future, USDA will also announce additional crop insurance program changes for beginning farmers and ranchers – including discounted premiums, waiver of administrative fees, and other benefits.

Additional information about USDA actions in support of beginning farmers and ranchers is available here.

USDA Provides Greater Protection for Fruit, Vegetable and Other Specialty Crop Growers through NAP

Free Basic Coverage Plans and Premium Discounts Available for New, Underserved and Limited Income Farmers

Greater protection is now available from the Noninsured Crop Disaster Assistance Program for crops that historically have been ineligible for federal crop insurance. The new options, created by the 2014 Farm Bill, provide greater coverage for losses when natural disasters affect specialty crops such as vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, and energy crops.

Previously, the program offered coverage at 55 percent of the average market price for crop losses that exceed 50 percent of expected production. Producers can now choose higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price.

The expanded protection will be especially helpful to beginning and socially disadvantaged producers, as well as farmers with limited resources, who will receive fee waivers and premium reductions for expanded coverage. More crops are now eligible for the program, including expanded aquaculture production practices, and sweet and biomass sorghum. For the first time, a range of crops used to produce bioenergy will be eligible as well. The application deadline for eligible fruits, vegetables and perennial forages is February 17. Producers have the option to purchase 2015 NAP coverage at the lower level of basic coverage or elect a higher level of buy up coverage.

To help producers learn more about the Noninsured Crop Disaster Assistance Program and how it can help them, USDA, in partnership with Michigan State University and the University of Illinois, created an online resource. The Web tool, available at www.fsa.usda.gov/nap, allows producers to determine whether their crops are eligible for coverage. It also gives them an opportunity to explore a variety of options and levels to determine the best protection level for their operation.

To learn more, visit the Farm Service Agency (FSA) website at www.fsa.usda.gov/nap or contact your local FSA office at offices.usda.gov. The Farm Service Agency (FSA), which administers the program, also wants to hear from producers and other interested stakeholders who may have suggestions or recommendations on the program. Written comments will be accepted until Feb. 13, 2015 and can be submitted through www.regulations.gov.

2014 MAL and LDP Requests

The USDA Farm Service Agency (FSA) is accepting requests for marketing assistance loans (MALs) and loan deficiency payments (LDPs) for eligible 2014 commodities.

MALs and LDPs for the 2014 crop year become available to eligible producers beginning with harvest/shearing season and extending through a specific commodity's final loan availability date. Sugar commodity loans for the 2014 crop became available to sugar processors on Oct. 1, 2014.

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, rice, peanuts, cotton, wool and honey. MALs provide producers interim financing after harvest to help them meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available. Marketing loan provisions and LDPs are not available for sugar and extra-long staple cotton.

Before MAL repayments and LDP disbursements can be made, producers must meet the requirements of actively engaged in farming, cash rent tenant and member contribution.

Additionally, form CCC-902 and CCC-901 must be submitted for the 2014 crop year, if applicable, with a county committee determination and updated subsidiary files.

To be considered eligible for an LDP, producers must have form CCC-633EZ, Page 1 on file at their local FSA Office before losing beneficial interest in the crop. Pages 2, 3 or 4 of the form must be submitted when payment is requested.

Please contact your local FSA office for additional eligibility requirements.

The 2014 Farm Bill also establishes payment limitations per individual or entity not to exceed $125,000 annually on certain commodities for the following program benefits: price loss coverage payments, agriculture risk coverage payments, marketing loan gains (MLGs) and LDPs. These payment limitations do not apply to MAL loan disbursements.

Adjusted Gross Income (AGI) provisions were modified by the 2014 Farm Bill, which states that a producer whose total applicable three-year average AGI exceeds $900,000 is not eligible to receive an MLG or LDP.

National and county loans rates for 2014 crops are posted on the FSA website at: www.fsa.usda.gov/pricesupport.

Final Availability Dates for 2014 Crop Marketing Assistance Loans & Loan Deficiency Payments:

- March 31, 2015 - Barley, Canola, Crambe, Flaxseed, Honey, Oats, Rapeseed, Wheat, Sesame Seed

- May 31, 2015 - Corn, Dry Peas, Grain Sorghum, Lentils, Mustard Seed, Rice, Safflower Seed, Chickpeas, Soybeans, Sunflower Seed.

For more information, please visit a nearby USDA Service Center or FSA's website www.fsa.usda.gov.

FSA Signature Policy

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits. The following are FSA signature guidelines:

· Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office

· Spouses shall not sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities

For additional clarification on proper signatures contact your local FSA office.

Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA.

All individuals who are not U.S. citizens, and have purchased or sold agricultural land in the county are required to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form (FSA-153) could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, Realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

Update your Records

FSA is cleaning up our producer record database. If you have any unreported changes of address or zip code or an incorrect name or business name on file they need to be reported to our office. Changes in your farm operation, like the addition of a farm by lease or purchase, need to be reported to our office as well. Producers participating in FSA and NRCS programs are required to timely report changes in their farming operation to the County Committee in writing and to update their CCC-902 Farm Operating Plan.

If you have any updates or corrections, please call your local FSA office to update your records.

Bath County is Eligible for Emergency Loans

Bath County was declared a primary disaster due to drought and heat using the streamlined Secretarial Disaster Designation process. Under this designation, producers with operations in any primary (Bath) or contiguous county are eligible to apply for low interest emergency loans.

The streamlined disaster designation process issues a drought disaster declaration when a county has experienced a drought intensity value of at least a D2 (severe drought) level for eight consecutive weeks based on the U.S. Drought Monitor during the crop year.

Emergency loans help producers recover from production and physical losses due to drought, flooding and other natural disasters or quarantine.

Producers have eight months from the date of the declaration to apply for emergency loan assistance. FSA will consider each loan application on its own merits, taking into account the extent of losses, security available and repayment ability. Producers can borrow up to 100 percent of actual production or physical losses, to a maximum amount of $500,000.

For more information about emergency loans, please contact your local FSA office or visit www.fsa.usda.gov.

Selected Interest Rates for February 2015

90-Day Treasury Bill - 0.125%

Farm Operating Loans — Direct - 2.625%

Farm Ownership Loans — Direct - 3.75%

Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher - 1.50%

Emergency Loans - 3.625%

Farm Storage Facility Loans (7 years) - 1.875 %

Commodity Loans 1996-Present - 1.250%

For more information on bulletin subjects or details regarding your GovDelivery subscription with the Virginia FSA State Office, contact Dan Mertz at dan.mertz@va.usda.gov or call at 804-287-1548.
