December Topics

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Virginia FSA Newsletter

Message From State Executive Director

Deck the Halls with Virginia Grown Christmas Trees! Virginia has more than 500 Christmas tree farms located throughout the state. The Virginia Christmas tree industry ranks 7th in the U.S. by total trees harvested according to the U.S. Department of Agriculture’s National Agricultural Statistics Service. Virginia Agriculture is thriving, and as everyone prepares for the holidays here is a chance to share some FSA updates and deadlines.

The U.S. Department of Agriculture (USDA) made additional funding available to eligible Virginia producers within the Chesapeake Bay watershed to undertake certain conservation practices that improve water quality in the bay. USDA’s Farm Service Agency (FSA) has provided Virginia with $1 million in incentives, coupled with state matching funds of $200,000 to enroll...
or re-enroll land devoted to riparian buffers. Virginia FSA signed a formal partnership in November with the Virginia Department of Conservation and Recreation and the Virginia Secretary of Natural Resources. A riparian buffer is an area of trees and shrubs located adjacent to streams, lakes, ponds and wetlands.

To improve wildlife habitat and the health of private forest lands, the U.S. Department of Agriculture USDA-FSA announced additional incentives available for Conservation Reserve Program (CRP) participants to actively manage forest lands enrolled in the program. Under the provisions of the 2014 Farm Bill, $10 million is available nationwide to eligible CRP participants. Those selected will be encouraged to thin, prescribe burn or otherwise manage their forests in order to allow sunlight to reach the forest floor. This will encourage the development of grasses, forbs and legumes, benefitting numerous species including pollinators and grassland-dependent birds such as the northern bobwhite.

This is a reminder to encourage 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 the Noninsured Crop Disaster Assistance Program (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.

On behalf of Virginia FSA, we wish you a safe and happy holiday season!

**USDA Partners with Farmers and Ranchers to Protect More Than 500,000 Acres of Working Grasslands**

USDA will accept more than 504,000 acres that were offered nationwide by producers during the recent ranking period for the Conservation Reserve Program (CRP) Grasslands enrollment. Through the voluntary CRP Grasslands program, grasslands threatened by development or conversion to row crops are maintained as livestock grazing areas, while providing important conservation benefits.

Virginia will accept 12 offers totaling more than 637.35 acres. Nationwide, over 70 percent of the acres are from beginning farmers, veterans and underserved producers. About two-thirds of the acres are in counties with the highest threat for conversion. Additionally, nearly 60 percent of the acres are in wildlife priority
areas and nearly three-fourths of the acres will have a wildlife-focused conservation plan as part of the operation.

USDA is also reminding producers that it is still accepting additional offers for CRP Grasslands. The current ranking period that closes on Dec. 16, also includes a new CRP Grasslands practice specifically tailored for small-scale livestock grazing operations to encourage broader participation. Small livestock operations with 100 or fewer head of grazing dairy cows (or the equivalent) can submit applications to enroll up to 200 acres of grasslands per farm. USDA’s goal is to enroll up to additional 200,000 acres. The new practice for small-scale livestock grazing operations encourages greater diversity geographically and in all types of livestock operation. Small livestock operations are encouraged to contact their local Farm Service Agency office to learn more about this program before Dec. 16, to be considered as part of the current ranking period.

Small livestock operations or other farming and ranching operations interested in participating in CRP Grasslands should contact their local FSA office. To find your local FSA office, visit http://offices.usda.gov. To learn more about FSA’s conservation programs, visit www.fsa.usda.gov/conservation.

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**Margin Protection Program for Dairy Enrollment Deadline is Dec. 16**

The deadline for dairy producers to enroll in the Margin Protection Program (MPP) for Dairy is Dec. 16, 2016. This voluntary dairy safety net program, established by the 2014 Farm Bill, provides financial assistance to participating dairy producers when the margin – the difference between the price of milk and feed costs – falls below the coverage level selected by the producer. A USDA web tool, available at www.fsa.usda.gov/mpptool, allows dairy producers to calculate levels of coverage available from MPP based on price projections.

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**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](http://www.fsa.usda.gov/pricesupport) or contact your local FSA county office. To find your local FSA county office, visit [http://offices.usda.gov](http://offices.usda.gov).

### 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.

### 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 update their CCC-902 Farm Operating Plan.

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

### FSAfarm+, FSA’s Customer Self-Service Portal

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) has launched a new tool to provide farmers and ranchers with remote access to their personal farm information using their home computers. Farmers and ranchers can now view, print or export their personal farm data all without visiting an FSA county office.

The program, known as FSAfarm+, provides you with secure access to view your personal FSA data, such as base and yields, Conservation Reserve Program data, other conservation program acreage, Highly Erodible Land Conservation and Wetland Conservation status information, field...
boundaries, farm imagery, name and address details, contact information and membership interest and shares in the operation. This data will be available in real time, at no cost to the producer and allow operators and owners to export and print farm records, including maps. Producers also can electronically share their data with a crop insurance agent from their own personal computer.

Farm operators and owners first will need “Level 2 eAuthentication” to access the webportal. This level of security ensures that personal information is protected for each user. Level 2 access can be obtained by going to [www.eauth.usda.gov](http://www.eauth.usda.gov), completing the required information and then visiting your local FSA office to finalize access.

For more information on **FSAfarm+**, the customer self-service portal, contact your local FSA office. To find your local FSA county office, click [http://offices.usda.gov](http://offices.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](http://offices.usda.gov)

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**USDA Announces Streamlined Guaranteed Loans and Additional Lender Category for Small-Scale Operators**
The U.S. Department of Agriculture (USDA) announced the availability of a streamlined version of USDA guaranteed loans, which are tailored for smaller scale farms and urban producers. The program, called EZ Guarantee Loans, uses a simplified application process to help beginning, small, underserved and family farmers and ranchers apply for loans of up to $100,000 from USDA-approved lenders to purchase farmland or finance agricultural operations.

USDA today also unveiled a new category of lenders that will join traditional lenders, such as banks and credit unions, in offering USDA EZ Guarantee Loans. Microlenders, which include Community Development Financial Institutions and Rural Rehabilitation Corporations, will be able to offer their customers up to $50,000 of EZ Guaranteed Loans, helping to reach urban areas and underserved producers. Banks, credit unions and other traditional USDA-approved lenders, can offer customers up to $100,000 to help with agricultural operation costs.

EZ Guarantee Loans offer low interest rates and terms up to seven years for financing operating expenses and 40 years for financing the purchase of farm real estate. USDA-approved lenders can issue these loans with the Farm Service Agency (FSA) guaranteeing the loan up to 95 percent.

USDA is providing a 90-day period for the public to review and comment on program improvements. To review program details, visit www.regulations.gov, reference RIN 0560-AI34 and follow the instructions to submit comments.

More than half of all FSA loans go to new farmers and more than a quarter to underserved borrowers. FSA also offers loans of up to $5,000 to young farmers and ranchers though the Youth Loan Program. Loans are made to eligible youth to finance agricultural projects, with almost 9,000 young people now participating. More information about the available types of FSA farm loans can be found at www.fsa.usda.gov/farmloans or by contacting your local FSA office. To find your nearest office location, visit http://offices.usda.gov

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**Selected Interest Rates for December 2016**

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>90-Day Treasury Bill</td>
<td>.250%</td>
</tr>
<tr>
<td>Farm Operating Loans - Direct</td>
<td>2.25%</td>
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<tr>
<td>Farm Ownership Loans - Direct</td>
<td>3.25%</td>
</tr>
<tr>
<td>Farm Ownership Loans - Direct Down Payment, Beginning Farmer or Rancher</td>
<td>1.50%</td>
</tr>
<tr>
<td>Emergency Loans</td>
<td>3.25%</td>
</tr>
<tr>
<td>Farm Storage Facility Loans (3 years)</td>
<td>1.125%</td>
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<tr>
<td>Farm Storage Facility Loans (5 years)</td>
<td>1.375%</td>
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<tr>
<td>Farm Storage Facility Loans (7 years)</td>
<td>1.750%</td>
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<tr>
<td>Farm Storage Facility Loans (10 years)</td>
<td>2.000%</td>
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<tr>
<td>Farm Storage Facility Loans (12 years)</td>
<td>2.000%</td>
</tr>
<tr>
<td>Commodity Loans 1996-Present</td>
<td>1.750%</td>
</tr>
</tbody>
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**Dates to Remember**

Dec. 13:
Deadline to return County Committee LAA election ballots.
Dec. 16:
2017 MPP election deadline.

Dec. 16:
3rd Ranking Period Ends for CRP Grassland Offers

Dec. 26:
Holiday – USDA Offices are closed.

Jan. 1:
Begin reporting livestock losses for 2017 LIP due to eligible loss conditions and normal mortality.

Jan. 2:
Holiday – USDA Offices are closed.

Jan. 3:
Deadline to report honey bee colony locations and maple tree acreage for NAP.

Jan. 17:
Deadline to report 2017 wheat, small grains, fruit trees, bushes, vines and strawberries.

Jan. 30:
Deadline to submit 2016 LIP applications and supporting documentation.

Jan. 31:
Deadline to request 2016 crop peanut Marketing Assistance Loans.

Feb. 15:
Deadline for 2017 NAP coverage enrollment and fee for forage, grazed and vegetable crops.

Continuous:
Submit CREP, Continuous CRP and Grassland CRP enrollment offers.

Continuous:
Submit 2017 contracts to participate in ARC and PLC.

For more information on bulletin subjects or details regarding your GovDelivery subscription with the Virginia FSA State Office, contact Diane Lenoir-Giles at diane.lenoir-giles@va.usda.gov or call at 804-287-1537.

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).