

February 2017



Having trouble viewing this email? [View it as a Web page.](#)

February 2017 Topics

- [State Office Administrative Update](#)
- [USDA Encourages Producers to Consider Risk Protection Coverage before February 15 Crop Sales Deadline](#)
- [USDA Expands Grasslands Conservation Program to Small-Scale Livestock Producers](#)
- [USDA's Farm Service Agency Expands Bridges to Opportunity Nationwide](#)
- [Organic Producers and Handlers May Apply for Certification Cost Share Reimbursements; Expanded Eligibility for Transition and State Certification Cost](#)
- [USDA Announces Enrollment Period for Safety Net Coverage in 2017](#)
- [Cover Crop Guidelines](#)
- [USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning Farmers](#)
- [Borrower Training](#)
- [Loan Servicing](#)
- [Selected Interest Rates for February 2017](#)
- [Dates to Remember](#)

Virginia FSA State Newsletter

Virginia FSA State Office

James M. Dunn
Acting State Executive
Director

1606 Santa Rosa Rd
Suite 138
Richmond, VA 23229

804-287-1503
855-621-5866 fax

State Office Administrative Update

Thank you to all Virginia FSA employees for all they do. Virginia FSA employees are real troopers. The current environment finds us under a hiring freeze with a few vacancies to fill, but employees have stepped up to help others where needed to get the job done in the interim. The new WebTA4.2 system has not stopped the FSA team either. As problems have come up, they have communicated and worked with the subject matter experts to resolve the issues so that all our hard working employees and County Committee Members are paid. Moving onward into Bridges to Opportunity, they have changed processes, without missing a beat. In sickness, injury, or health the FSA family keeps working on in support of one another to get the job done. Such heart and tenacity are treasured characteristics of Virginia FSA employees working together in

Hours

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

State Office Staff

Pete Adamson, Chief
Farm Loans

Brent L. Whitlock, Chief
Farm Programs

Connie Washburn-Marsh,
Chief Administration Officer

Diane Lenoir-Giles
Public Relations/Outreach
Specialist

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>

harmony as one body to reach our State goals. Thank you so much.

USDA Encourages Producers to Consider Risk Protection Coverage before February 15 Crop Sales Deadline

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 of February 15 for vegetables, forage crops and grazed crops.

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.

USDA has partnered with Michigan State University and the University of Illinois to create an online tool at www.fsa.usda.gov/nap that allows producers to determine whether their crops are eligible for federal crop insurance or NAP and to explore the best level of protection for their operation. 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 2017 NAP coverage enrollment and fee for forage, grazed and vegetable crops. To learn more about NAP visit 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.

USDA Expands Grasslands Conservation Program to Small-Scale Livestock Producers

Helping Dairy, Beef and Other Producers Protect Working Grasslands in 43 States

USDA will accept over 300,000 acres in 43 states that were offered by producers during the recent ranking period for the Conservation Reserve Program (CRP) Grasslands enrollment with emphasis placed on small-scale livestock operations. 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. Approximately 200,000 of the accepted acres were offered by small-scale livestock operations.

The most recent ranking period closed on Dec. 16, 2016, and included for the first time a CRP Grasslands practice specifically tailored for small-scale livestock grazing operations to encourage broader participation. Under this ranking period and for future periods, small-scale livestock operations with 100 or fewer head of grazing cows (or the equivalent) can submit applications to enroll up to 200 acres of grasslands per farm. Larger operations may still make offers through the normal process. USDA met its goal of 200,000 acres under this small-scale initiative. The new practice for small-scale livestock grazing operations encourages greater diversity geographically and in all types of livestock operations. Visit <http://go.usa.gov/x9PFS> to view the complete list of acres accepted by state.

Participants in CRP Grasslands establish or maintain long-term, resource-conserving grasses and other plant species to control soil erosion, improve water quality and develop wildlife habitat on marginally productive agricultural lands. CRP Grasslands participants can use the land for livestock production (e.g. grazing or producing hay), while following their conservation and grazing plans in order to maintain the cover.

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

USDA's Farm Service Agency Expands Bridges to Opportunity Nationwide

The U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) announced the expansion of a unique service for farmers and ranchers. FSA's Bridges to Opportunity program provides a one-stop-shop that connects producers with resources, programs and educational services offered across the department, as well as from other USDA partner organizations. Bridges to Opportunity, which currently provides enhanced customer support to more than 150,000 customers in 20 states, will expand to serve customers across the country before the end of the month using fiscal year 2016 funds.

FSA's presence in over 2,100 county offices, in nearly every rural county, puts the agency in a unique position to partner with non-governmental organizations to reach thousands of agricultural producers who can benefit from the programs and services. Bridges to Opportunity allows FSA employees to search and obtain a list of all local, state, regional and national organizations that may

be able assist local producers with their specific need. For example, FSA's Houston County office in Texas partnered with many agricultural organizations to serve producers affected by severe drought. When drought-stricken agricultural producers came to the county office looking for assistance, FSA employees were able to provide traditional services, such as the Livestock Forage Program and the Emergency loan program administered by FSA, as well as connect local farmers with local, regional, and national organizations that provide drought assistance and education.

Bridges to Opportunity was developed by FSA to provide producers with a more comprehensive customer service experience by connecting them with other USDA agencies and nonfederal partners. Through Bridges to Opportunity, FSA county office employees have the tools to connect farmers, ranchers and anyone interested in agriculture with customized expertise on topics ranging including organic production, beginning farmer resources, integrated pest management, disaster assistance, conservation practices, agricultural educational courses, loans, grants and other financial assistance that can start, grow or benefit farming and ranching operations.

For more information about Bridges to Opportunity, please contact your local FSA county office.

Organic Producers and Handlers May Apply for Certification Cost Share Reimbursements; Expanded Eligibility for Transition and State Certification Cost

Starting March 20, 2017, organic producers and handlers will be able to visit over 2,100 USDA Farm Service Agency (FSA) offices to apply for federal reimbursement to assist with the cost of receiving and maintaining organic or transitional certification.

USDA reimburses organic producers up to 75 percent of the cost of organic certification, but only about half of the nation's organic operations currently participate in the program. Starting March 20, USDA will provide a uniform, streamlined process for organic producers and handlers to apply for organic cost share assistance either by mail or in person.

USDA is making changes to increase participation in the National Organic Certification Cost Share Program (NOCCSP) and the Agricultural Management Assistance Organic Certification Cost Share Program, and at the same time provide more opportunities for organic producers to access other USDA programs, such as disaster protection and loans for farms, facilities and marketing. Producers can also access information on nonfederal agricultural resources, and get referrals to local experts, including organic agriculture, through USDA's Bridges to Opportunity service at the local FSA office.

Historically, many state departments of agriculture have obtained grants to disburse reimbursements to those producers and handlers qualifying for cost share assistance. FSA will continue to partner with states to administer the programs. For states that want to continue to directly administer the programs, applications will be due Feb. 17, 2017.

Eligible producers include any certified producers or handlers who have paid organic or transitional certification fees to a [USDA-accredited certifying](#) agent. Application fees, inspection costs, fees related to equivalency agreement/ arrangement requirements, travel/per diem for inspectors, user fees, sales assessments and postage are all eligible for a cost share reimbursement from USDA.

Once certified, producers and handlers are eligible to receive reimbursement for up to 75 percent of certification costs each year up to a maximum of \$750 per certification scope—crops, livestock, wild

crops and handling. This announcement also adds transitional certification and state organic program fees as additional scopes.

To learn more about organic certification cost share, please visit www.fsa.usda.gov/organic or contact a local FSA office by visiting <http://offices.usda.gov>.

USDA Announces Enrollment Period for Safety Net Coverage in 2017

Producers on farms with base acres under the safety net programs established by the 2014 Farm Bill, known as the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs, can visit their local FSA office to sign contracts and enroll for the 2017 crop year. The enrollment period will continue until Aug. 1, 2017.

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

If a farm is not enrolled during the 2017 enrollment period, the producers on that farm will not be eligible for financial assistance from the ARC or PLC programs for the 2017 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 2015 must still enroll during the 2017 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, corn, 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>.

Cover Crop Guidelines

Recently the Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS) and Risk Management Agency (RMA) worked together to develop consistent, simple and a flexible policy for cover crop practices.

The termination and reporting guidelines were updated for cover crops.

Termination:

The cover crop termination guidelines provide the timeline for terminating cover crops, are based on zones and apply to non-irrigated cropland. To view the zones and additional guidelines visit <https://www.nrcs.usda.gov/wps/portal/nrcs/main/national/landuse/crops/> and click "Cover Crop Termination Guidelines."

Reporting:

The intended use of cover only will be used to report cover crops. The deadline to report cover crops is July 15, 2017. This includes crops that were terminated by tillage and reported with an intended use code of green manure. An FSA policy change will allow cover crops to be hayed and grazed. Program eligibility for the cover crop that is being hayed or grazed will be determined by each specific program.

If the crop reported as cover only is harvested for any use other than forage or grazing and is not terminated properly, then that crop will no longer be considered a cover crop.

Crops reported with an intended use of cover only will not count toward the total cropland on the farm. In these situations a subsequent crop will be reported to account for all cropland on the farm.

Cover crops include grasses, legumes, and forbs, for seasonal cover and other conservation purposes. Cover crops are primarily used for erosion control, soil health improvement, and water quality improvement. The cover crop may be terminated by natural causes, such as frost, or intentionally terminated through chemical application, crimping, rolling, tillage or cutting. A cover crop managed and terminated according to NRCS Cover Crop Termination Guidelines is **not** considered a crop for crop insurance purposes.

Cover crops can be planted: with no subsequent crop planted, before a subsequent crop, after prevented planting acreage, after a planted crop, or into a standing crop.

USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning Farmers

The USDA Farm Service Agency (FSA) reminds producers that FSA offers targeted farm ownership and farm operating loans to assist underserved applicants as well as beginning farmers and ranchers.

USDA defines underserved applicants as a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. For farm loan program purposes, targeted underserved groups are women, African Americans, American Indians and Alaskan Natives, Hispanics and Asians and Pacific Islanders.

Underserved or beginning farmers and ranchers who cannot obtain commercial credit from a bank can apply for either FSA direct loans or guaranteed loans. Direct loans are made to applicants by FSA. Guaranteed loans are made by lending institutions who arrange for FSA to guarantee the loan. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. The FSA guarantee allows lenders to make agricultural credit available to producers who do not meet the lender's normal underwriting criteria.

The direct and guaranteed loan program provides for two types of loans: farm ownership loans and farm operating loans. In addition to customary farm operating and ownership loans, FSA now offers Microloans through the direct loan program. The focus of Microloans is on the financing needs of small, beginning farmer, niche and non-traditional farm operations. Microloans are available for both ownership and operating finance needs. To learn more about microloans, visit www.fsa.usda.gov/microloans.

To qualify as a beginning producer, the individual or entity must meet the eligibility requirements outlined for direct or guaranteed loans. Additionally, individuals and all entity members must have

operated a farm for less than 10 years. Applicants must materially or substantially participate in the operation.

For more information on FSA's farm loan programs and targeted underserved and beginning farmer guidelines, visit www.fsa.usda.gov/farmloans.

Borrower Training

Borrower training is available for all Farm Service Agency customers. This training is required for all direct loan applicants, unless the applicant has a waiver issued by the agency.

Borrower training includes instruction in production and financial management. The purpose is to help the applicant develop and improve skills that are necessary to successfully operate a farm and build equity in the operation. It aims to help the producer become financially successful. Borrower training is provided, for a fee, by agency approved vendors. Contact your local FSA Farm Loan Manager for a list of approved vendors.

Loan Servicing

There are options for Farm Service Agency loan customers during financial stress. If you are a borrower who is unable to make payments on a loan, contact your local FSA Farm Loan Manager to learn about the options available to you.

Selected Interest Rates for February 2017

90-Day Treasury Bill - .500%
Farm Operating Loans — Direct - 2.875%
Farm Ownership Loans — Direct - 4.00%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher - 1.50%
Emergency Loans - 3.875%
Farm Storage Facility Loans (3 years) - 1.500%
Farm Storage Facility Loans (5 years) - 2.000%
Farm Storage Facility Loans (7 years) - 2.250%
Farm Storage Facility Loans (10 years) - 2.500%
Farm Storage Facility Loans (12 years) - 2.500%
Commodity Loans 1996-Present - 1.875%

Dates to Remember

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

Mar. 20:
Organic Certification Cost Share Program Sign Up Begins

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

Continuous:
Submit 2017 contracts to participate in ARC and PLC

Continuous:
Submit AD-1026 for forest land to be cleared for agricultural use and new ground (hay and pasture) to be planted to a row crop or vegetable.

Continuous:
Timely report changes in your farming operation to the County Office in writing and update your CCC-902 Farm Operating Plan.

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).