July 2017

Farm Service Agency Electronic News Service

NEWSLETTER

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July 2017 Topcis

Virginia FSA State Newsletter

State Farm Service Agency

Virginia FSA State Office

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Acting State Executive Director

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Acting State Executive Director Message

Greetings from the Acting State Executive Director

As we move into the hottest months of the year, many producers across the state of Virginia are experiencing a very dry summer which is a growing concern for crops and livestock. If your farming operation has been impacted by recent weather events, please remember the Farm Service Agency administers programs which may be helpful in disaster events, such as drought, tornadoes and floods. Let's hope we do not have any disasters, but if it does happen, the local Farm Service Agency Offices may be of assistance to affected producers.

804-287-1503
855-621-5866 fax

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

State Office Staff
Pete Adamson, Chief
Farm Loans

Brent L. Whitlock, Chief
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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

Also, as we get close to the August 1 date, producers need to be aware of the ARC/PLC deadline. Many producers have already enrolled for the 2017 crop year, but there is about 25% who still need to take care of this task. The ARC/PLC program makes payments to producers on enrolled farms when (depending on the farm election) prices are low, yields are low (both compared to the 5-year Olympic averages), or a combination of both low yields and prices. Be certain to not miss the advertised deadlines and contact your local office if you have questions.

Eligibility for Nominations for the 2017 County Committee Elections

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) county committees are a critical component of the day-to-day operations of FSA and allow grassroots input and local administration of federal farm programs.

Committees are comprised of locally elected agricultural producers responsible for the fair and equitable administration of FSA farm programs in their counties. Committee members are accountable to the Secretary of Agriculture. If elected, members become part of a local decision making and farm program delivery process.

A county committee is composed of three to 11 elected members from local administrative areas (LAA). Each member serves a three-year term. To be eligible for nomination and hold office as a committee member or alternate, a person must fulfill each of the following requirements: (1) be a producer with an interest in farming or ranching operations, (2) participate or cooperate in any FSA program provided for by law, (3) be a U.S. citizen, (4) be of legal voting age, (5) meet the basic eligibility requirements, and (6) reside in the county or multi-county jurisdiction in which they will be serving.

All nomination forms for the 2017 election must be postmarked or received in the local USDA service center by Aug. 1, 2017. For more information on FSA county committee elections and appointments, refer to the FSA fact sheet: Eligibility to Vote and Hold Office as a COC Member available online at: www.fsa.usda.gov/elections.

New Improvement to Streamline Crop Reporting for 2017 – Deadline July 17, 2017

Update Lets Farmers and Ranchers Report Common Acreage Information Once

Farmers and ranchers have until July 17, 2017 to file their 2017 crop acreage reports with the Farm Service Agency (FSA) and participating insurance providers approved by the Risk Management

Agency (RMA). Now FSA and RMA shares common information from their acreage reports at one office and the information will be electronically shared with the other location.

This new process is part of the USDA Acreage Crop Reporting Streamlining Initiative (ACRSI). This interagency collaboration also includes participating private crop insurance agents and insurance companies, all working to streamline the information collected from farmers and ranchers who participate in USDA programs.

Once filing at one location, data that's important to both FSA and RMA will be securely and electronically shared with the other location avoiding redundant and duplicative reporting, as well as saving farmers and ranchers time.

USDA has been working to streamline the crop reporting process for agricultural producers, who have expressed concerns with providing the same basic common information for multiple locations. In 2013, USDA consolidated the deadlines to 15 dates for submitting these reports, down from the previous 54 dates at RMA and 17 dates for FSA. USDA representatives believe farmers and ranchers will experience a notable improvement in the coming weeks as they approach the peak season for crop reporting later this summer.

More than 93 percent of all annual reported acres to FSA and RMA now are eligible for the common data reporting, and USDA is exploring adding more crops. Producers must still visit both locations to validate and sign acreage reports, complete maps or provide program-specific information. The common data from the first-filed acreage report will now be available to pre-populate and accelerate completion of the second report. Plans are underway at USDA to continue building upon the framework with additional efficiencies at a future date.

Farmers and ranchers are also reminded that they can now access their FSA farm information from the convenience of their home computer. Producers can see field boundaries, images of the farm, conservation status, operator and owner information and much more.

The new customer self-service portal, known as **FSA**Farm+, gives farmers and ranchers online access to securely view, print or export their personal farm data. To enroll in the online service, producers are encouraged to contact their local FSA office for details. To find a local FSA office in your area, visit http://offices.usda.gov.

Enrollment Period for 2017 ARCPLC Continues Through August 1

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.

Nonrecourse Marketing Assistance Loans and Loan Deficiency Payments

Nonrecourse Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs) are available to eligible producers for the 2017 crop year for wheat, corn, grain sorghum, barley, oats, upland cotton, extra-long staple cotton, long grain rice, medium grain rice, soybeans, other oilseeds (including sunflower seed, rapeseed, canola, safflower, flaxseed, mustard seed, crambe and sesame seed), dry peas, lentils, small chickpeas, large chickpeas, graded and non-graded wool, mohair, unshorn pelts, honey and peanuts.

To be eligible for a MAL or LDP, producers must comply with conservation and wetland protection requirements and submit an acreage report to account for all cropland on all farms. Additionally, they must have and retain beneficial interest in the commodity until the MAL is repaid or the Commodity Credit Corporation (CCC) takes title to the commodity while also meeting Adjusted Gross Income (AGI) limitations.

In addition to producer eligibility, the commodity must have been produced, mechanically harvested, or shorn from live animals by an eligible producer and be in storable condition. It also must be merchantable for food, feed or other uses, as determined by CCC. Nonrecourse MALs must meet specific CCC minimum grade and quality standards.

If beneficial interest in the commodity is lost, the commodity loses eligibility for a MAL or LDP and remains ineligible even if the producer later regains beneficial interest. To retain beneficial interest, the producer must have control and title to the commodity. The producer must be able to make all decisions affecting the commodity including movement, sale and the request for a MAL or LDP. The producer must not have sold or delivered the commodity or warehouse receipt to the buyer.

Producers are responsible for any loss in quantity or quality of commodities pledged as collateral for a farm-stored or warehouse stored loan. CCC will not assume any loss in quantity or quality of the loan collateral regardless of storage location.

The 2014 Farm Bill sets national loan rates. County and regional loan rates are based on each commodity’s national loan rate, and they vary by county or region and are based on the average prices and production of the county or region where the commodity is stored.

National loan rates for 2014-2018 crops (per production unit) are as follows:

Commodity	Production Unit	2014-2018
Wheat	bushel	$2.94
Corn	bushel	$1.95
Grain Sorghum	bushel	$1.95
Barley	bushel	$1.95
Oats	bushel	$1.39
Upland Cotton	pound	$0.52
ELS Cotton	pound	$0.7977
Long Grain Rice	cwt	$6.50
Medium Grain Rice	cwt	$6.50
Soybeans	bushel	$5.00
Other Oilseeds	cwt	$10.09
Dry Peas	cwt	$5.40
Lentils	cwt	$11.28
Small Chickpeas	cwt	$7.43
Large Chickpeas	cwt	$11.28
Wool, graded	pound	$1.15
Wool, nongraded	pound	$0.40
Mohair	pound	$4.20
Honey	pound	$0.69
Peanuts	ton	$355.00

NOTE: The upland cotton loan rate is subject to change for 2017 and 2018.

For all loan-eligible commodities except extra-long staple (ELS) cotton, a producer may repay a MAL any time during the loan period at the lesser of the loan rate plus accrued interest and other charges or an alternative loan repayment rate as determined by CCC.

Producers may obtain MALs or receive LDPs on all or part of their eligible production anytime during the loan availability period. The loan availability period runs from when the commodity is normally harvested (or sheared for wool) until specified dates in the following calendar year.

The final loan/LDP availability dates for the respective commodities are:

- Jan. 31 - Peanuts, Wool, Mohair and LDP only for Unshorn Pelts
- March 31 - Barley, Canola, Crambe, Flaxseed, Honey, Oats, Rapeseed, Sesame seed and Wheat
- May 31 - Corn, Dry peas, Grain sorghum, Lentils, Mustard seed, Long grain rice, Medium grain rice, Safflower, Small chickpeas, Large chickpeas, Cotton, Soybeans and Sunflower seed

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Maintaining the Quality of Farm-Stored Loan Grain

Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

Unauthorized Disposition of Grain

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer’s name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.

Maintaining Good Credit History

Farm Service Agency (FSA) Farm Loan programs require that applicants have a satisfactory credit history. A credit report is requested for all FSA direct farm loan applicants. These reports are reviewed to verify outstanding debts, if bills are paid timely and to determine the impact on cash flow.

Information found on a customer’s credit report is strictly confidential and is used only as an aid in conducting FSA business.

Our farm loan staff will discuss options with you if you have an unfavorable credit report and will provide a copy of your report. If you dispute the accuracy of the information on the credit report, it is up to you to contact the issuing credit report company to resolve any errors or inaccuracies.

There are multiple ways to remedy an unfavorable credit score.

- Make sure to pay bills on time. Setting up automatic payments or automated reminders can be an effective way to remember payment due dates.
- Pay down existing debt.
- Keep your credit card balances low.
- Avoid suddenly opening or closing existing credit accounts.

FSA’s farm loan staff will guide you through the process, which may require you to reapply for a loan after improving or correcting your credit report.

For more information on FSA farm loan programs, visit www.fsa.usda.gov.

Supervised Credit

Farm Service Agency (FSA) Farm Loan programs are considered supervised credit. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Therefore, it is our goal to help you graduate to commercial credit, and our farm loan staff is available to help borrowers through training and credit counseling.

The FSA team will help borrowers identify their goals to ensure financial success. Through this process, FSA staff will advise borrowers in developing strategies and a plan to meet your operation’s goals and graduate to commercial credit. Ultimately, the borrower is responsible for the success of the farming operation, but FSA’s staff will help in an advisory role to provide the tools necessary to help you achieve your operational goals and manage your finances.

For more information on FSA farm loan programs, visit www.fsa.usda.gov.

Selected Interest Rates for July 2017

90-Day Treasury Bill - 0.875%
Farm Operating Loans — Direct - 2.875%
Farm Ownership Loans — Direct - 3.875%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher - 1,5%
Emergency Loans - 3.75%
Farm Storage Facility Loans (3 years) -1.500%
Farm Storage Facility Loans - (5 years) - 1.750%
Farm Storage Facility Loans (7 years) - 2.000%
Farm Storage Facility Loans (10 years) - 2.250%
Farm Storage Facility Loans (12 years) - 2.250%
Commodity Loans 1996-Present - 2.125%

Dates to Remember

July 17:
Deadline to report 2017 Cover Crop, Corn, Cotton, CRP, Grain Sorghum, Peanuts, Soybeans, Vegetables and Tobacco acreage.

Aug. 1:
Deadline to sign and submit your 2017 ARCPLC Contracts.

Oct. 31:
Deadline to submit 2017 Organic Certification Cost Share Program applications.

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.

Continuous:
Need on farm grain, hay or cold storage, consider FSFL for your storage needs. Contact your local FSA Office for more details

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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.
