

September 2017



Farm Service Agency **Electronic News Service**

NEWSLETTER

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Virginia FSA State Newsletter

Virginia FSA State Office

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Dairy Producers Can Enroll for 2018 Coverage

Secretary Allows Producers to Opt Out

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) today announced that starting Sept. 1, 2017, dairy producers can enroll for 2018 coverage in the Margin Protection Program (MPP-Dairy). Secretary Sonny Perdue has utilized additional flexibility this year by providing dairy producers the option of opting out of the program for 2018.

To opt out, a producer should not sign up during the annual registration period. By opting out, a producer would not receive any

Hours

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

State Office Staff

Pete Adamson
Chief, Farm Loans

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Chief, Farm Programs

Connie Washburn-Marsh
Chief, Administration Officer

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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>

MPP-Dairy benefits if payments are triggered for 2018. Full details will be included in a subsequent Federal Register Notice. The decision would be for 2018 only and is not retroactive.

The voluntary 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.

MPP-Dairy gives participating dairy producers the flexibility to select coverage levels best suited for their operation. Enrollment ends on Dec. 15, 2017, for coverage in calendar year 2018. Participating farmers will remain in the program through Dec. 31, 2018, and pay a minimum \$100 administrative fee for 2018 coverage. Producers have the option of selecting a different coverage level from the previous coverage year during open enrollment.

Dairy operations enrolling in the program must meet conservation compliance provisions and cannot participate in the Livestock Gross Margin Dairy Insurance Program. Producers can mail the appropriate form to the producer's administrative county FSA office, along with applicable fees, without necessitating a trip to the local FSA office. If electing higher coverage for 2018, dairy producers can either pay the premium in full at the time of enrollment or pay 100 percent of the premium by Sept. 1, 2018. Premium fees may be paid directly to FSA or producers can work with their milk handlers to remit premiums on their behalf.

USDA has a web tool to help producers determine the level of coverage under the MPP-Dairy that will provide them with the strongest safety net under a variety of conditions. The online resource, available at www.fsa.usda.gov/mpptool, allows dairy farmers to quickly and easily combine unique operation data and other key variables to calculate their coverage needs based on price projections. Producers can also review historical data or estimate future coverage based on data projections. The secure site can be accessed via computer, Smartphone, tablet or any other platform, 24 hours a day, seven days a week.

For more information, visit FSA online at www.fsa.usda.gov/dairy or stop by a local FSA office to learn more about the MPP-Dairy.

Organic Certification Cost Share Program Deadline Nearing

The Organic Certification Cost Share Program (OCCSP) provides cost share assistance to producers and handlers of agricultural products who are obtaining or renewing their certification under the National Organic Program (NOP). Certified operations may receive up to 75 percent of their certification costs paid from Oct. 1, 2016, through Sept. 30, 2017, not to exceed \$750 per certification scope.

Eligible costs include application fees, inspection costs, fees related to equivalency agreement/arrangement requirements, travel/per diem for inspectors, user fees, sales assessments and postage.

Ineligible costs include equipment, materials, supplies, transitional certification fees, late fees and inspections necessary to address National Organic Program regulatory violations.

Producers and handlers may submit OCCSP applications to FSA county offices or they may apply through participating State Agencies, which will be listed at <https://www.fsa.usda.gov/programs-and-services/occsp/index> as their agreements to administer the program are finalized.

The FSA OCCSP application form is available at [USDA's eForms site](#), by selecting "Browse forms" and entering "OCCSP" in the "title or keywords" field on the search page.

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

Deadline Nearing for Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program (ELAP)

The Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) provides emergency assistance to eligible livestock, honeybee, and farm-raised fish producers who have losses due to disease, adverse weather or other conditions, such as blizzards and wildfires, not covered by other agricultural disaster assistance programs.

Eligible livestock losses include grazing losses not covered under the Livestock Forage Disaster Program (LFP), loss of purchased feed and/or mechanically harvested feed due to an eligible adverse weather event, additional cost of transporting water because of an eligible drought and additional cost associated with gathering livestock to treat for cattle tick fever.

Eligible honeybee losses include loss of purchased feed due to an eligible adverse weather event, cost of additional feed purchased above normal quantities due to an eligible adverse weather condition, colony losses in excess of normal mortality due to an eligible weather event or loss condition, including CCD, and hive losses due to eligible adverse weather.

Eligible farm-raised fish losses include death losses in excess of normal mortality and/or loss of purchased feed due to an eligible adverse weather event.

Producers who suffer eligible livestock, honeybee, or farm-raised fish losses from Oct. 1, 2016 to Sept. 30, 2017 must file:

- A notice of loss the earlier of 30 calendar days of when the loss is apparent or by Nov. 1, 2017
- An application for payment by Nov. 1, 2017

The Farm Bill caps ELAP disaster funding at \$20 million per federal fiscal year.

The following ELAP Fact Sheets (by topic) are available online:

- ELAP for Farm-Raised Fish Fact Sheet
- ELAP for Livestock Fact Sheet

- ELAP for Honeybees Fact Sheet

To view these and other FSA program fact sheets, visit the FSA fact sheet web page at www.fsa.usda.gov/factsheets.

Payments to Deceased Producers

In order to claim a Farm Service Agency (FSA) payment on behalf of a deceased producer, all program conditions for the payment must have been met before the applicable producer's date of death.

If a producer earned a FSA payment prior to becoming deceased, the following is the order of precedence of the representatives of the producer:

- administrator or executor of the estate
- the surviving spouse
- surviving sons and daughters, including adopted children
- surviving father and mother
- surviving brothers and sisters
- heirs of the deceased person who would be entitled to payment according to the State law

In order for FSA to release the payment, the legal representative of the deceased producer must file a form FSA-325, to claim the payment for themselves or an estate. The county office will verify and determine that the application, contract, loan agreement, or other similar form requesting payment issuance, was signed by the applicable deadline for such form, by the deceased or a person legally authorized to act on their behalf at that time of application.

If the application, contract or loan agreement form was signed by someone other than the participant who is deceased, FSA will determine whether the person submitting the form has the legal authority to submit the form to compel FSA to pay the deceased participant.

Payments will be issued to the respective representative's name using the deceased program participant's tax identification number. Payments made to representatives are subject to offset regulations for debts owed by the deceased.

FSA is not responsible for advising persons in obtaining legal advice on how to obtain program benefits that may be due to a participant who has died, disappeared or who has been declared incompetent.

Report Non-Insured Crop Disaster Assistance Program (NAP) Losses

The Non-Insured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occur due to natural disasters.

Eligible producers must have purchased NAP coverage for 2017 crops. A notice of loss must be filed within 15 calendar days of when the loss is apparent or 15 calendar days after the normal harvest date.

Eligible crops must be commercially produced agricultural commodities for which crop insurance is not available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

For more information on NAP, contact your local FSA office or visit www.fsa.usda.gov/nap.

Changing Bank Accounts

All FSA payments should be electronically transferred into your bank account. In order to make timely payments, you need to notify the office if you close your account or if your bank is purchased by another financial institution. Payments can be delayed if we are not aware of changes to account and routing numbers.

FSA Offers Joint Financing Option on Direct Farm Ownership Loans

The USDA Farm Service Agency's (FSA) [Direct Farm Ownership loans](#) are a resource to help farmers and ranchers become owner-operators of family farms, improve and expand current operations, increase agricultural productivity, and assist with land tenure to save farmland for future generations.

Depending on the applicant's needs, there are three types of Direct Farm Ownership Loans: regular, down payment and joint financing. FSA also offers a [Direct Farm Ownership Microloan](#) option for smaller financial needs up to \$50,000.

Joint financing allows FSA to provide more farmers and ranchers with access to capital. FSA lends up to 50 percent of the total amount financed. A commercial lender, a State program or the seller of the property being purchased, provides the balance of loan funds, with or without an FSA guarantee. The maximum loan amount for a Joint Financing loan is \$300,000 and the repayment period for the loan is up to 40 years.

To be eligible, the operation must be an eligible farm enterprise. Farm Ownership loan funds cannot be used to finance nonfarm enterprises and all applicants must be able to meet general eligibility requirements. Loan applicants are also required to have participated in the business operations of a farm or ranch for at least three years out of the 10 years prior to the date the application is submitted. The applicant must show documentation that their participation in the business operation of the farm or ranch was not solely as a laborer.

For more information about FSA Loan programs, contact your local FSA office or visit www.fsa.usda.gov. To find your local FSA office, visit <http://offices.usda.gov>.

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.

Selected Interest Rates for September 2017

90-Day Treasury Bill - 1.00%
Farm Operating Loans — Direct - 2.875%
Farm Ownership Loans — Direct - 3.75%
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) - 2.125%
Farm Storage Facility Loans (10 years) - 2.250%
Farm Storage Facility Loans (12 years) - 2.375%
Commodity Loans 1996-Present - 2.250%

Dates to Remember

Sept. 30:
Deadline to submit 2018 acreage report for value loss crops enrolled in 2018 NAP.

Sept. 30:
Deadline to submit 2018 NAP application for coverage, pay fee and elect buy up coverage for small grains, wheat and triticale crops for forage.

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

Nov. 15:
Deadline to report forage and grazed acreage for 2018.

Nov. 20:
Deadline to file 2018 NAP Application for Coverage for fruit trees, bushes, strawberries, vines crops, pay administrative fee and buy up election.

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

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

Cont.:
Have harvested 2017 grain, cotton or peanuts and in storage, FSA offers marketing assistance loans (MAL) for these stored crops. Contact your local FSA Office for more details.

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).