

October 2017



Farm Service Agency **Electronic News Service**

# NEWSLETTER

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## Virginia FSA State Newsletter

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State Office**  
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Director

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### **2017 Hay and Pasture Acreage Reporting Deadline Nearing**

In order to comply with FSA program eligibility requirements, all producers are encouraged to visit their County FSA office to file an accurate crop certification report by the applicable deadline.

The following acreage reporting deadlines are coming soon.

November 15, 2017: hay, pasture, and other perennial forages  
January 15, 2017: fall planted small grains, apples, peaches,  
and canola

## 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>

The following exceptions apply to the above acreage reporting dates:

- If the crop has not been planted by the above acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is completed.
- If a producer acquires additional acreage after the above acreage reporting date, then the acreage must be reported no later than 30 calendar days after purchase or acquiring the lease. Appropriate documentation must be provided to the county office.
- If a perennial forage crop is reported with the intended use of "cover only," "green manure," "left standing," or "seed," then the acreage must be reported by July 15th. Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP covered crops is the earlier of the dates listed above or 15 calendar days before grazing or harvesting of the crop begins. For questions regarding crop certification and crop loss reports, please contact your local County FSA office.

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## Environmental Review Required Before Project Implementation

The National Environmental Policy Act (NEPA) requires Federal agencies to consider all potential environmental impacts for federally-funded projects before the project is approved.

For all Farm Service Agency (FSA) programs, an environmental review must be completed before actions are approved, such as site preparation or ground disturbance. These programs include, **but are not limited to**, the Emergency Conservation Program (ECP), Farm Storage Facility Loan (FSFL) program and farm loans. If project implementation begins before FSA has completed an environmental review, this will result in a denial of the request. There are exceptions regarding the Stafford Act and emergencies. It is important to wait until you receive written approval of your project proposal before starting any actions, including, but not limited to, vegetation clearing, site preparation or ground disturbance.

Remember to contact your local FSA office early in your planning process to determine what level of environmental review is required for your program application so that it can be completed timely.

Applications cannot be approved contingent upon the completion of an environmental review. FSA must have copies of all permits and plans before an application can be approved.

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## **USDA Issues Farm Safety Net and Conservation Payments**

USDA Farm Service Agency announced that over \$9.6 billion in payments will be made to producers through the Agriculture Risk Coverage (ARC), Price Loss Coverage (PLC) and Conservation Reserve (CRP) programs. The USDA is issuing approximately \$8 billion in payments under the ARC and PLC programs for the 2016 crop year, and \$1.6 billion under CRP for 2017.

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 revenue or prices for covered commodities. Over half a million producers will receive ARC payments and over a quarter million producers will receive PLC payments for 2016 crops, starting the first week of October and continuing over the next several months.

Payments are being made to producers who enrolled base acres of barley, corn, grain sorghum, lentils, oats, peanuts, dry peas, soybeans, wheat and canola. In the upcoming months, payments will be announced after marketing year average prices are published by USDA's National Agricultural Statistics Service for the remaining covered commodities. Those include long and medium grain rice (except for temperate Japonica rice), which will be announced in November; remaining oilseeds and chickpeas, which will be announced in December; and temperate Japonica rice, which will be announced in early February 2017. The estimated payments are before application of sequestration and other reductions and limits, including adjusted gross income limits and payment limitations.

Also, as part of an ongoing effort to protect sensitive lands and improve water quality and wildlife habitat, USDA will begin issuing 2017 CRP payments in October to over 375,000 Americans.

Signed into law by President Reagan in 1985, CRP is one of the largest private-lands conservation program in the United States. Thanks to voluntary participation by farmers and landowners, CRP has improved water quality, reduced soil erosion and increased habitat for endangered and threatened species. In return for enrolling in CRP, USDA, through the Farm Service Agency (FSA) on behalf of the Commodity Credit Corporation, provides participants with rental payments and cost-share assistance. Participants enter into contracts that last between 10 and 15 years. CRP payments are made to participants who remove sensitive lands from production and plant certain grasses, shrubs and trees that improve water quality, prevent soil erosion and increase wildlife habitat.

For more details regarding ARC and PLC programs, go to [www.fsa.usda.gov/arc-plc](http://www.fsa.usda.gov/arc-plc). For more information about CRP, contact your local FSA office or visit [www.fsa.usda.gov/crp](http://www.fsa.usda.gov/crp).

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## **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](http://www.fsa.usda.gov/factsheets).

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## 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 (HEL) 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.

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## **Annual Review of Payment Eligibility for New Crop Year**

All participants of FSA programs who request program benefits are required to submit a completed CCC-902 (Farming Operation Plan) and CCC-941 Average Gross Income (AGI) Certification and Consent to Disclosure of Tax Information to be considered for payment eligibility and payment limitation applicable for the program benefits.

Participants are not required to annually submit new CCC-902s for payment eligibility and payment limitation purposes unless a change in the farming operation occurs that may affect the determination of record. A valid CCC-902 filed by the participant is considered to be a continuous certification used for all payment eligibility and payment limitation determinations applicable for the program benefits requested.

Participants are responsible for ensuring that all CCC-902 and CCC-941 and related forms on file in the county Office are correct at all times. Participants are required to timely notify the county office of any changes in the farming operation that may affect the determination of record by filing a new or updated CCC-902 as applicable.

Changes that may require a NEW determination include, but are not limited to, a change of:

- Shares of a contract, which may reflect:
  - A land lease from cash rent to share rent
  - A land lease from share rent to cash rent (subject to the cash rent tenant rule)
  - A modification of a variable/fixed bushel-rent arrangement
- The size of the producer's farming operation by the addition or reduction of cropland that may affect the application of a cropland factor
- The structure of the farming operation, including any change to a member's share
- The contribution of farm inputs of capital, land, equipment, active personal labor, and/or active personal management
- Farming interests not previously disclosed on CCC-902 including the farming interests of a spouse or minor child
- Financial status that may affect the 3-year average for the determination of average AGI or other changes that affects eligibility under the average adjusted gross income limitations.

Participants are encouraged to file or review these forms within the deadlines established for each applicable program for which program benefits are being requested.

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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>. 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>

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## **USDA Packages Disaster Protection with Loans to Benefit Specialty Crop and Diversified Producers**

*Free basic coverage and discounted premiums available for new and underserved loan applicants*

Producers who apply for FSA farm loans will be offered the opportunity to enroll in new disaster loss protections created by the 2014 Farm Bill. The new coverage, available from the Noninsured Crop Disaster Assistance Program (NAP), is available to FSA loan applicants who grow non-insurable crops, so this is especially important to fruit and vegetable producers and other specialty crop growers.

New, underserved and limited income specialty growers who apply for farm loans could qualify for basic loss coverage at no cost, or higher coverage for a discounted premium.

The basic disaster coverage protects at 55 percent of the market price for crop losses that exceed 50 percent of production. Covered crops include "specialty" crops, for instance, vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, hay, forage, grazing and energy crops. FSA allows beginning, underserved or limited income producers to obtain NAP coverage up to 90 days after the normal application closing date when they also apply for FSA credit.

In addition to free basic coverage, beginning, underserved or limited income producers are eligible for a 50 percent discount on premiums for the higher levels of coverage that protect up to 65 percent of expected production at 100 percent of the average market price. Producers also may work with FSA to protect value-added production, such as organic or direct market crops, at their

fair market value in those markets. Targeted underserved groups eligible for free or discounted coverage are American Indians or Alaskan Natives, Asians, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, Hispanics, and women.

FSA offers a variety of loan products, including farm ownership loans, operating loans and microloans that have a streamlined application process.

Growers need not apply for an FSA loan, nor be a beginning, limited resource, or underserved farmer, to be eligible for Noninsured Crop Disaster Assistance Program assistance. To learn more, visit [www.fsa.usda.gov/nap](http://www.fsa.usda.gov/nap) or [www.fsa.usda.gov/farmloans](http://www.fsa.usda.gov/farmloans), or contact your local FSA office at <https://offices.usda.gov>.

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## Selected Interest Rates for October 2017

90-Day Treasury Bill - 1.125%

Farm Operating Loans — Direct - 2.75%

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) - 2.000%

Farm Storage Facility Loans (10 years) - 2.125%

Farm Storage Facility Loans (12 years) - 2.250%

Commodity Loans 1996-Present - 2.250%

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## Dates to Remember

Oct. 31:

Deadline to submit 2017 Organic Certification Cost Share Program applications.

Nov. 15:

Deadline to report forage (hay) and grazed (pasture) 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 CREP and Grassland CRP Enrollment Offers.

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.

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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](mailto:diane.lenoir-giles@va.usda.gov) or call at 804-287-1537.

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