March 2018

Farm Service Agency Electronic News Service

Virginia FSA State Newsletter

State Executive Director Message

A Special 2018 Ag Day Message from: Nivin Elgowary, State Executive Director, Virginia Farm Service Agency

National Agriculture Day Celebrates American Food and Fiber Production

It’s National Agriculture Day, a day designated each year by the Agriculture Council of America (ACA) to celebrate the accomplishments of agriculture. Virginia Farm Service Agency (FSA) joins the council in recognizing farmers, ranchers and
This year’s theme, Agriculture: Food for Life, spotlights the hard work of American producers who diligently work to provide food, fiber and more to the United States and countries around the world. To ensure a prosperous future for American agriculture, FSA provides continuous support to agriculturalists across the country.

FSA is rural America’s engine for economic growth, job creation and development, offering local service to millions of rural producers. In fiscal year 2017, USDA Farm Loan programs provided $6 billion in support to producers across America, the second highest total in FSA history. FSA also distributed $1.6 billion in Conservation Reserve Program (CRP) payments to over 375,000 Americans to improve water quality, reduce soil erosion and increase wildlife habitat.

For agricultural producers who suffered market downturns in 2016, USDA is issuing approximately $8 billion in payments under the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs. USDA also continues to provide extensive assistance in response to natural disasters throughout the country, including last year’s hurricanes in Florida, Texas, Puerto Rico and the Virgin Islands, drought in the northern high plains, wildfires in the west and central plains, floods, tornados, freezes and other catastrophic weather events.

To support beginning farmers and ranchers, Agriculture Secretary Sonny Perdue signed a Memorandum of Understanding with officials from SCORE, the nation’s largest volunteer network of expert business mentors, to support new and beginning farmers. The agreement provides new help and resources for beginning ranchers, veterans, women, socially disadvantaged Americans and others, providing new tools to help them both grow and thrive in agribusiness.

I am honored to administer programs that enable our producers to manage their risks when the agriculture industry faces hardship. On behalf of the Virginia Farm Service Agency, I would like to thank our agricultural producers for continuing to feed our nation and the world.

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.

**2018 Acreage Reporting Reminder**

Filing an accurate crop and acreage report at your local FSA office can prevent the loss of benefits for a variety of programs. Failed acreage is acreage that was timely planted with the intent to harvest, but because of disaster related conditions, the crop failed before it could be brought to harvest.

Prevented planting must be reported no later than 15 days after the final planting date. Annual acreage reports are required for most Farm Service Agency programs. Annual crop report deadlines vary based on region, crop, perennial vs. annual crop type, NAP or non-NAP crop and fall or winter seeding. Consult your local FSA office for deadlines in your area.

To be eligible for the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program or a Marketing Assistance Loan (MAL) or Loan Deficiency Payment (LDP), producers must submit an acreage report to account for all cropland on all farms.

**Reporting Solar Farms on Cropland**

Producers who have solar panels installed on their farms should notify the local Farm Service Agency office. Any area that is no longer considered suitable as cropland (producing annual or perennial crops) should be designated in FSA’s records and aerial photography maps. When base acres on a farm are converted to a non-agricultural commercial or industrial use, the total base acres on the farm must be reduced accordingly. Non-cropland areas used for solar panels or any other non-agricultural activity might impact payments calculated using base acres, such as Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC).

**Tree Assistance Program (TAP) Sign-up**

Orchardists and nursery tree growers who experience losses from natural disasters during calendar year 2018 must submit a TAP application either 90 calendar days after the disaster event or the date when the loss is apparent. TAP was authorized by the Agricultural Act of 2014 as a permanent disaster program. TAP provides financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes and vines damaged by natural disasters.

Eligible tree types include trees, bushes or vines that produce an annual crop for commercial purposes. Nursery trees include ornamental, fruit, nut and Christmas trees that are produced for commercial sale. Trees used for pulp or timber are ineligible.
To qualify for TAP, orchardists must suffer a qualifying tree, bush or vine loss in excess of 15 percent mortality from an eligible natural disaster, plus an adjustment for normal mortality. The eligible trees, bushes or vines must have been owned when the natural disaster occurred; however, eligible growers are not required to own the land on which the eligible trees, bushes and vines were planted.

If the TAP application is approved, the eligible trees, bushes and vines must be replaced within 12 months from the date the application is approved. The cumulative total quantity of acres planted to trees, bushes or vines, for which a producer can receive TAP payments, cannot exceed 500 acres annually.

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**Organic Certification Cost Share Program**

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, 2017, through Sept. 30, 2018, 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](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](https://www.egov.usda.gov/locator/app), by selecting "Browse forms" and entering "OCCSP" in the "title or keywords" field on the search page.


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**Save Time – Make an Appointment with FSA**

Producers are encouraged to call their local FSA office to schedule an appointment to ensure maximum use of their time and to make sure FSA staff is available to tend to their important business needs. Please call your local FSA office ahead of your visit to set an appointment and to discuss any records or documentation that might be needed during your appointment. To find your local FSA office, visit: [http://offices.sc.egov.usda.gov/locator/app](http://offices.sc.egov.usda.gov/locator/app).

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**FSA Offers Joint Financing Option on Direct Farm Ownership Loans**

The USDA Farm Service Agency's (FSA) [Direct Farm Ownership loans](http://offices.sc.egov.usda.gov/locator/app) 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

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](https://offices.usda.gov).

**Selected Interest Rates for March 2018**

- 90-Day Treasury Bill - 1.375%
- Farm Operating Loans — Direct - 3.250%
- Farm Ownership Loans — Direct - 3.750%
- Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher - 1.500%
- Emergency Loans - 3.750%
- Farm Storage Facility Loans (3 years) - 2.250%
- Farm Storage Facility Loans (5 years) - 2.500%
- Farm Storage Facility Loans (7 years) - 2.750%
- Farm Storage Facility Loans (10 years) - 2.750%
- Farm Storage Facility Loans (12 years) - 2.750%
- Commodity Loans 1996-Present - 2.875%

**Dates to Remember**

- **Mar. 15:** Final FCIC enrollment date for 2018 Spring Seeded Crops & WFRP
- **Apr. 2:** Deadline to request 2017 crop MALs for Wheat and small grains
- **Aug. 1:** Deadline to sign and submit your 2018 ARCPLC Contracts.
- Continuous: Submit CREP Offers.
- Continuous: Submit your 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.
- Continuous: Need on farm grain, hay or cold storage, consider FSFL for your storage needs. Contact your local FSA Office for more details.
- Continuous: 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.
- Continuous: Timely report changes in your farming operation to the County
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).