

November 2018



Farm Service Agency **Electronic News Service**

# NEWSLETTER

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## Virginia FSA State Newsletter

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### Virginia FSA State Office

**Nivin A. Elgohary**  
State Executive Director

Sharon Rust  
Executive Assistant

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Suite 138  
Richmond, VA 23229

### State Executive Director Message

Record-keeping is essential for good management, and fall is the time to start gathering information to analyze farm income and expenses in order to begin planning for next year. Records greatly assist with both production and financial management decisions, and are kept not only for tax and reporting purposes, but also as your tools to help identify trends, individual enterprise profitability, and help with important production choices that are all customized to your very own farming operation.

FSA loan program borrowers are required to provide annual balance sheets and income-expense records to assist with monitoring progress and needs. Potential

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 Farm Programs

Connie Washburn-Marsh  
Chief Administration Officer

Diane Lenoir-Giles  
Public Relations/Outreach  
Specialist

To find contact information for  
your local office go to  
[www.fsa.usda.gov/xx](http://www.fsa.usda.gov/xx)

applicants for FSA loan programs also need to provide good records when applying for loans. Records assist with other USDA program sign-ups and statistical reporting. It is greatly appreciated when good records are archived and provided to FSA, as they help us to better help you.

November is a month of thankfulness. Not only are we thankful for our families, friends, and farmers, we are thankful that we live in the land of free, and that we have been protected by the hearts of the brave. As we celebrate Veteran's Day, we salute those who have served. For those veterans who also feed the world as well as protecting our soils, FSA offers loans to veterans who are farmers. Information is available [online](#) or at your local service center.

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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, 2017 to Sept. 30, 2018 must file:

- A notice of loss the earlier of 30 calendar days of when the loss is apparent or by **Dec. 3, 2018**
- An application for payment by **Dec. 3, 2018**

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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## USDA Market Facilitation Program

USDA launched the trade mitigation package aimed at assisting farmers suffering from damage due to unjustified trade retaliation by foreign nations. Producers of certain commodities can now sign up for the Market Facilitation Program (MFP).

USDA's Farm Service Agency (FSA) will administer MFP to provide payments to corn (fresh and processed), cotton, dairy, hog, sorghum, soybean (fresh and processed), wheat, shelled almond, and fresh sweet cherry producers. An announcement about further payments will be made in the coming months, if warranted.

The sign-up period for MFP runs through Jan. 15, 2019, with information and instructions provided at [www.farmers.gov/mfp](http://www.farmers.gov/mfp). MFP provides payments to producers of eligible commodities who have been significantly impacted by actions of foreign governments resulting in the loss of traditional exports. Eligible producers should apply after harvest is complete, as payments will only be issued once production is reported.

A payment will be issued on 50 percent of the producer's total production, multiplied by the MFP rate for a specific commodity. A second payment period, if warranted, will be determined by the USDA.

For a list of initial MFP payments rates, view the [MFP Fact Sheet](#).

MFP payments are capped per person or legal entity as follows:

- A combined \$125,000 for eligible crop commodities
- A combined \$125,000 for dairy production and hogs
- A combined \$125,000 for fresh sweet cherries and almonds

Applicants must also have an average adjusted gross income for tax years 2014, 2015, and 2016 of less than \$900,000. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.

### Expanded Hog Timeline

USDA has expanded the timeline for producers with whom the Aug. 1, 2018, date does not accurately represent the number of head of live hogs they own. Producers may now choose any date between July 15 to Aug. 15, 2018, that correctly reflects their actual operation.

MFP applications are available online at [www.farmers.gov/mfp](http://www.farmers.gov/mfp). Applications can be completed at a local FSA office or submitted electronically either by scanning, emailing, or faxing. To locate or contact your local FSA office, visit [www.farmers.gov](http://www.farmers.gov).

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## USDA Enrollment Period for Safety Net Coverage in 2018

Farmers and ranchers with generic base acres in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) safety net program still have time to enroll for the 2018 crop year. Producers with generic base acres have until **Dec. 7, 2018**, to allocate generic base acres, update yields, make a program election for seed cotton base acres and enroll farms that formerly contained generic base acres.

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

The producers on a farm that are not enrolled for the 2018 enrollment period will not be eligible for financial assistance from the ARC or PLC programs for the 2018 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 previous years must still enroll during the 2018 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, wheat and upland cotton. For more details regarding these programs, go to [www.fsa.usda.gov/arc-plc](http://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 <https://www.farmers.gov/>.

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## Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) Educational Tool Available for Farms with Generic Base Acres that Planted Seed Cotton

Farm Service Agency (FSA) is notifying farmers with generic base acres that planted seed cotton that a new tool is available to assist them in understanding how the new seed cotton program may affect their FSA payments. It helps a producer make decisions on how to allocate generic base acres to other covered crops based on a producer's planting history.

The educational tool can be viewed at <https://www.afpc.tamu.edu/tools/cotton-base>.

Developed by Texas A&M University, the tool is for educational purposes only, and by using the tool, it is agreed that the results are not a guarantee of future FSA program parameters or payments. Users also acknowledge that this tool is provided with absolutely no warranty, without even the implied warranty of fitness for a particular purpose.

The Bipartisan Budget Act of 2018 included [seed cotton as a covered commodity](#) under the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program effective for the 2018 crop year. The Act also authorizes owners of a farm with generic base acres and a recent history of covered commodities a one-time opportunity to update the farm's payment yield for seed cotton.

Complete details of this decision are available by reading the [Notice](#) ([https://www.fsa.usda.gov/Internet/FSA\\_Notice/arcplc50.pdf](https://www.fsa.usda.gov/Internet/FSA_Notice/arcplc50.pdf))

Or by contacting your State or County FSA office <http://offices.usda.gov>.

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## USDA Encourages Producers to Consider NAP Risk Protection Coverage before Crop Sales Deadlines

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.

Producers are reminded that crops not covered by insurance may be eligible for NAP. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage.

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.

Producers can determine if crops are eligible for federal crop insurance or NAP by visiting <https://webapp.rma.usda.gov/apps/ActuarialInformationBrowser2018/CropCriteria.aspx>.

NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

Deadlines for coverage vary by state and crop. To learn more about NAP visit [www.fsa.usda.gov/nap](http://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.

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## Communication is Key in Lending

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be a success. A part of ensuring this success is providing guidance and counsel from the loan application process through the borrower's graduation to commercial lending institutions. While it is FSA's commitment to advise borrowers as they identify goals and evaluate progress, it is crucial for

borrowers to communicate with their farm loan staff when changes occur. It is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation;
- Any significant changes to family income or expenses;
- The development of problem situations;
- Any losses or proposed significant changes in security

In addition, if a farm loan borrower cannot make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options.

For more information on FSA farm loan programs, visit [www.fsa.usda.gov](http://www.fsa.usda.gov).

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## Disaster Set-Aside (DSA) Program

FSA borrowers with farms located in designated primary or contiguous disaster areas who are unable to make their scheduled FSA loan payments should consider the Disaster Set-Aside (DSA) program.

DSA is available to producers who suffered losses as a result of a natural disaster and is intended to relieve immediate and temporary financial stress. FSA is authorized to consider setting aside the portion of a payment/s needed for the operation to continue on a viable scale.

Borrowers must have at least two years left on the term of their loan in order to qualify.

Borrowers have eight months from the date of the disaster designation to submit a complete application. The application must include a written request for DSA signed by all parties liable for the debt along with production records and financial history for the operating year in which the disaster occurred. FSA may request additional information from the borrower in order to determine eligibility.

All farm loans must be current or less than 90 days past due at the time the DSA application is complete. Borrowers may not set aside more than one installment on each loan.

The amount set-aside, including interest accrued on the principal portion of the set-aside, is due on or before the final due date of the loan.

For more information, contact your local FSA farm loan office.

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## Selected Interest Rates for November 2018

90-Day Treasury Bill - 2.125%

Farm Operating Loans - Direct - 3.75%

Farm Ownership Direct - 4.125%

Farm Ownership Loans - Direct Down Payment, Beginning Farmer or Rancher - 1.5%

Emergency Loans - 3.75%

Farm Storage Facility Loans (3 years) - 2.875%

Farm Storage Facility Loans (5 years) - 3.000%

Farm Storage Facility Loans (7 years) - 3.125%

Farm Storage Facility Loans (10 years) - 3.125%  
Farm Storage Facility Loans (12years) - 3.125%  
Commodity Loans 1996 - Present - 3.625%

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## Dates to Remember

### Dates to Remember

Nov. 20	Deadline to file 2019 NAP Application for Coverage on fruit trees, bushes, strawberries and vines crops, and pay administrative fee.
Nov. 22	Federal Holiday – USDA Offices Closed
Dec. 3	Deadline to file 2019 NAP Application for Coverage for honey and maple sap and pay administrative fee.
Dec. 3	Deadline to return the ballots to local FSA offices
Dec. 3	Deadline to submit 2017/2018 ELAP notice of loss and application for payment.
Dec. 3	Deadline to submit 2017 TAP application and supporting documentation.
Later of 90 calendar days when loss is apparent or Dec. 3	Deadline to submit 2018 TAP application and supporting documentation.
Dec. 3	Deadline to submit 2017 LIP notice of loss and application for payment.
Later of 30 days when loss is apparent or Dec. 3	Deadline to submit 2018 LIP notice of loss.
Dec. 7	Deadline to make election and enroll in 2018 ARCPLC for Generic Base Farms.
Jan. 2	Deadline to report the number and location of honey bee colonies and acreage of maple trees if enrolled in 2019 NAP.
Jan. 15	Deadline to submit 2018 MFP applications
Jan. 15	Deadline to report your 2019 planted acreage of small grains, wheat, fruit trees, bushes, vines and strawberries.
Cont.	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.
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 2018 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](mailto:diane.lenoir-giles@va.usda.gov) or call at 804-287-1537.

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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).

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