

July 2019



Farm Service Agency **Electronic News Service**

NEWSLETTER

GovDelivery

Having trouble viewing this email? [View it as a Web page.](#)

July 2019 Topics

- [State Executive Director Message](#)
- [2019 Final Acreage Reporting Date is July 15](#)
- [USDA Offers Producers Options to Re-enroll or Extend Expiring CRP Contracts](#)
- [New Dairy Margin Coverage Signup Began June 17](#)
- [Eligibility for Nominations for the 2019 County Committee Elections](#)
- [USDA Fruit, Vegetable and Wild Rice Planting Rules Unchanged from Previous Farm Bill](#)
- [Report Noninsured Crop Disaster Assistance Program \(NAP\) Losses](#)
- [Reminder to FSA Direct and Guaranteed Borrowers with Real Estate Security](#)
- [Preauthorized Debit Available for Farm Loan Borrowers](#)
- [Selected Interest Rates for July 2019](#)
- [Dates to Remember](#)

Virginia FSA State Newsletter

State Farm Service Agency

Virginia FSA State Office

Nivin A. Elgohary
State Executive Director

Sharon Rust
Executive Assistant

State Executive Director Message

The Month of July – Busy, and Undoubtedly Hot

Midway through July, it is safe to assume that most crops in Virginia are planted. It is a busy time for farmers throughout the commonwealth, and as temperatures are reaching their peaks, not only are you working hard, undoubtedly your work is hot. I want to thank you for all your hard, and hot, work, putting food on tables across America and the World.

Likewise, July is a busy month for Farm Service Agency. The acreage reporting deadline on July 15th, always brings a lot of customers into the office. Hopefully you have reported all (except

1606 Santa Rosa Rd
Suite 138
Richmond, VA 23229

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

Helene McGann
Administrative Officer

Diane Lenoir-Giles
Public Relations/Outreach
Specialist

To find contact information for
your local office go to
www.fsa.usda.gov/xx

fall planted crops) your acres with FSA. We also are receiving County Committee nominations through August 1, 2019. Please participate by nominating a candidate to represent agriculture in your community.

We are looking forward to many great opportunities for you as policy for the 2018 Farm Bill are being finalized and implemented.

Signup for the Dairy Margin Protection program is ongoing until September 20, 2019. FSA started issuing payments this past week on contracts that had been submitted and approved. Many of our conservation programs are back, and available with cost-shares and incentive payments for participating participants. Our Noninsured Crop Disaster Assistance Program (NAP) was once again renewed with the ability for buy-up for high coverage and payment levels and is available as we enter the beginning of our fall and 2020 growing seasons. These, and many other programs, including a second version of the Market Facilitation Program (MFP; program to help farmers affected by trade disputes) are and will be available to you.

To stay in-tune to the many program changes and to our great opportunities for you, I encourage you to sign up to receive text messages from your local FSA offices. Text VA[your county] to recipient number: FSANow (372669) – Example: if you live in Accomack County, text VAACCOMACK to recipient number 372669.

Of course, if you cannot receive our text messages, we are always available at our many county offices across the state. You can find your local office telephone numbers and addresses by visiting FSA's website at: www.fsa.usda.gov/state-offices/Virginia and following the county office link on the left side of our page.

2019 Final Acreage Reporting Date is July 15

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

Acreage reporting dates vary by crop and by county so please contact your local FSA office for a list of county-specific deadlines.

The following exceptions apply to acreage reporting dates:

- If the crop has not been planted by the applicable 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 applicable 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 applicable dates 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 FSA office.

USDA Offers Producers Options to Re-enroll or Extend Expiring CRP Contracts

Farmers and ranchers with expiring [Conservation Reserve Program](#) (CRP) contracts may now re-enroll in certain CRP continuous signup practices or, if eligible, select a one-year contract extension. USDA's Farm Service Agency (FSA) is also accepting offers from landowners who want to enroll for the first time in one of the country's largest conservation programs. FSA's 52nd signup for CRP runs from June 3 to August 23.

This year's CRP continuous signup includes practices such as grass waterways, filter strips, riparian buffers, wetland restoration and others. [View a full list of practices approved for this signup](#). Continuous signup contracts last for 10 to 15 years. Soil rental rates are set at 90 percent of 2018 rates. Incentive payments are not offered for these practices.

Producers interested in applying for CRP continuous practices, including those under existing CREP agreements, or who want to extend their contract, should contact their USDA service center by August 23.

To locate your local FSA office, visit www.farmers.gov. More information on CRP can be found at www.fsa.usda.gov/crp.

New Dairy Margin Coverage Signup Began June 17

Signup began June 17 for the new [Dairy Margin Coverage](#) (DMC) program, the cornerstone program of the dairy safety net that helps dairy producers manage the volatility of milk and feed prices, operated by the U.S. Department of Agriculture's Farm Service Agency (FSA).

The 2018 Farm Bill allowed USDA to construct the new DMC, which replaces the Margin Protection Program for Dairy (MPP-Dairy). This new program offers protection to dairy producers when the difference between the all-milk price and the average feed cost (the margin) falls below a certain dollar amount selected by the producer.

The program provides coverage retroactive to January 1, 2019, with applicable payments following soon after enrollment. At the time of signup, dairy producers can choose between the \$4.00 to \$9.50 coverage levels. [Learn more about coverage levels and premiums](#).

The Farm Bill also allows producers who participated in MPP-Dairy from 2014-2017 [to receive a repayment or credit for part of the premiums paid into the program](#). FSA has been providing premium reimbursements to producers since last month and those that elect the 75 percent credit option will now have that credit applied toward 2019 DMC premiums.

The Department has built in a 50 percent blend of premium and supreme alfalfa hay prices with the alfalfa hay price used under the prior dairy program to provide a total feed cost that more closely aligns with hay rations used by many producers. At a milk margin minus feed cost of \$9.50 or less, payments are possible. With the 50 percent hay blend, FSA's revised April 2019 income over feed cost margin is \$8.82 per hundredweight (cwt). The revised margins for January, February and March are, respectively, \$7.71, \$7.91 and \$8.66 – triggering DMC payments for each month.

DMC payments will be reduced by 6.2 percent in 2019 because of a sequester order required by Congress and issued in accordance with the Balanced Budget and Emergency Deficit Control Act of 1985.

DMC offers catastrophic coverage at no cost to the producer, other than an annual \$100 administrative fee. Producers can opt for greater coverage levels for a premium in addition to the administrative fee. Operations owned by limited resource, beginning, socially disadvantaged or veteran farmers and ranchers may be eligible for a waiver on administrative fees. Producers have the choice to lock in coverage levels until 2023 and receive a 25-percent discount on their DMC premiums.

To assist producers in making coverage elections, USDA partnered with the University of Wisconsin to develop a [DMC decision support tool](#), which can be used to evaluate various scenarios using different coverage levels through DMC.

All dairy operations in the United States are eligible for the DMC program. An operation can be run either by a single producer or multiple producers who commercially produce and market cows' milk.

Eligible dairy operations must have a production history determined by FSA. For most operations, production history is based on the highest milk production in 2011, 2012 and 2013. Newer dairy operations have other options for determining production history. Producers may contact their local FSA office to get their verified production history.

Dairy producers also are reminded that 2018 Farm Bill provisions allow for dairy operation to participate in both FSA's DMC program and the Risk Management Agency's [Livestock Gross Margin \(LGM-Dairy\)](#) program. There are also no restrictions from participating in DMC in conjunction with any other RMA insurance products.

For more information, visit [farmers.gov DMC webpage](#) or contact your local USDA service center. To locate your local FSA office, visit [farmers.gov/service-locator](#).

Eligibility for Nominations for the 2019 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 2019 election must be postmarked or received in the local USDA service center by Aug. 1, 2019. 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: fsa.usda.gov/elections.

USDA Fruit, Vegetable and Wild Rice Planting Rules Unchanged from Previous Farm Bill

Farm Service Agency (FSA) has announced fruit, vegetable and wild rice provisions that affect producers who intend to participate in certain programs authorized by the Agricultural Act of 2014 as amended by the Agricultural Improvement Act of 2018.

Producers who intend to participate in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs are subject to an acre-for-acre payment reduction when fruits and nuts, vegetables or wild rice are planted on the payment acres of a farm. Payment reductions do not apply to mung beans, dry peas, lentils or chickpeas. Planting fruits, vegetables or wild rice on acres that are not considered payment acres will not result in a payment reduction. Farms that are eligible to participate in ARC/PLC but are not enrolled for a particular year may plant unlimited fruits, vegetables and wild rice for that year but will not receive ARC/PLC payments for that year. Eligibility for succeeding years is not affected.

Planting and harvesting fruits, vegetables and wild rice on ARC/PLC acreage is subject to the acre-for-acre payment reduction when those crops are planted on more than 15 percent of the base acres of a farm enrolled in ARC using the county coverage or PLC, or more than 35 percent of the base acres of a farm enrolled in ARC using the individual coverage.

Fruits, vegetables and wild rice that are planted in a double-cropping practice will not cause a payment reduction if the farm is in a double-cropping region as designated by the USDA's Commodity Credit Corporation.

Report Noninsured Crop Disaster Assistance Program (NAP) Losses

The Noninsured 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 including freeze, hail, excessive moisture, excessive wind or hurricanes, flood, excessive heat and qualifying drought (includes native grass for grazing), among others.

Eligible producers must have purchased NAP coverage for 2019 crops. A notice of loss must be filed the earlier of 15 days of the occurrence of the disaster or when losses become apparent or 15 days of the final harvest date.

Producers of hand-harvested crops and certain perishable crops must notify FSA within 72 hours of when a loss becomes apparent.

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.

Reminder to FSA Direct and Guaranteed Borrowers with Real Estate Security

Farm Service Agency would like to remind farm loan borrowers who have pledged real estate as security for their loans, of key items for maintaining loan collateral. It is required that borrowers must obtain prior consent, or approval, by either FSA, for direct loans, or by a guaranteed lender, for any transaction affecting real estate security. Examples of these transactions include, but are not limited to:

- Leases of any kind;
- Easements of any kind;
- Subordinations;
- Partial releases, and
- Sales

Failure to meet or follow the requirements set forth in the loan agreement, promissory note, and other security instruments could lead to nonmonetary default which could jeopardize your current and future loans.

It is critical that borrowers keep an open line of communication with their FSA loan staff or guaranteed lender when it comes to changes in their operation. For more information on borrower responsibilities, read [Your FSA Farm Loan Compass](#).

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>

Selected Interest Rates for July 2019

90-Day Treasury Bill	2.375%
Farm Operating Loans — Direct	3.25%
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)	1.875%
Farm Storage Facility Loans - (5 years)	1.875%
Farm Storage Facility Loans - (7 years)	2.000%
Farm Storage Facility Loans - (10 years)	2.125%
Farm Storage Facility Loans - (12 years)	2.250%

Dates to Remember

Jul.15 Deadline to report your 2019 acreage of hay/pasture (acreage not enrolled in NAP), corn, cotton, cover crop, CRP, grain sorghum, peanuts, soybeans, tobacco vegetables and cover crop to your local FSA County Office.

Aug. 1 Deadline to submit LAA nomination forms for 2019 election must be postmarked or received in the local FSA County Office.

Aug. 23 Deadline for producers to submit their signed CCRP/CREP offers to FSA.

Cont. Producers should notify their local FSA County Office as a first point of contact by filing their AD-1026 prior to conducting land clearing, cropping a field without a highly erodible land (HEL) determination 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 federal farm program benefits.

Cont. Now is the time to plan for on farm grain, hay or cold storage, consider FSFL for your storage needs. 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).