

August 2019



Farm Service Agency **Electronic News Service**

# NEWSLETTER

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## August Topics

- [State Executive Director Message](#)
- [USDA Opens Signup for Market Facilitation Program](#)
- [USDA Offers Producers Options to Re-enroll or Extend Expiring CRP Contracts](#)
- [Transitioning Expiring CRP Land to Beginning, Veteran or Underserved Farmers and Ranchers](#)
- [USDA Announces New Decision Tool for New Dairy Margin Coverage Program](#)
- [Storage and Handling Trucks Eligible for Farm Storage Facility Loans](#)
- [Producers are Encouraged to Report Prevented Planting and Failed Acres](#)
- [Reminder to FSA Direct and Guaranteed Borrowers with Real Estate Security](#)
- [FSA Offers Joint Financing Option on Direct Farm Ownership Loans](#)
- [Selected Interest Rates for August 2019](#)
- [Dates to Remember](#)

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## Virginia FSA State Newsletter

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**State Farm Service Agency**

**Virginia FSA State Office**

**Nivin A. Elgohary**  
State Executive Director

1606 Santa Rosa Rd  
Suite 138  
Richmond, VA 23229

### State Executive Director Message

Harvest is quickly approaching, bringing with it a heightened risk for farm accidents. We want everyone to stay safe and return home to your families after long nights of cutting silage, packing bunkers, and filling silos. Crops are valuable, but lives are more important. Here are some tips and tricks for safety around the farm:

- Remove keys from all equipment when not in use, disengage hydraulics, and store equipment in lowest position.
- Store chemicals, pesticides, and hazardous substances in locked storage areas not accessible to children.

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](http://www.fsa.usda.gov/xx)

- Keep equipment lights on whenever you're on the road, outlining machinery with reflective gear to mark the wide points.
- Know the symptoms of silage gas exposure.
- Have an emergency plan in place for all potential situations.

Signup for the Market Facilitation Program (MFP) is underway. Payments will be made based on a county rate, which can be found [here](#). Dairy rates are .20 cents per hundredweight, and hogs will be paid at a rate of \$11.00 per head for the inventory on a given day between April 1, 2019 and May 15, 2019.

As an additional reminder, dairy producers have until **September 20, 2019** to sign up for Dairy Margin Coverage (DMC).

We wish you a safe and happy harvest season, and we hope to see you within the coming months for program signup..

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## USDA Opens Signup for Market Facilitation Program

*Enrollment Now Open through Dec. 6*

Signup opens today for the Market Facilitation Program (MFP), a U.S. Department of Agriculture (USDA) program to assist farmers who continue to suffer from damages because of unjustified trade retaliation from foreign nations. Through MFP, USDA will provide up to \$14.5 billion in direct payments to impacted producers, part of a broader trade relief package announced in late July. The sign-up period runs through Dec. 6.

MFP payments will be made to producers of certain non-specialty and specialty crops as well as dairy and hog producers.

### Non-Specialty Crops

MFP payments will be made to producers of alfalfa hay, barley, canola, corn, crambe, dried beans, dry peas, extra-long staple cotton, flaxseed, lentils, long grain and medium grain rice, millet, mustard seed, oats, peanuts, rapeseed, rye, safflower, sesame seed, small and large chickpeas, sorghum, soybeans, sunflower seed, temperate japonica rice, triticale, upland cotton, and wheat.

MFP assistance for 2019 crops is based on a single county payment rate multiplied by a farm's total plantings to the MFP-eligible crops in aggregate in 2019. Those per acre payments are not dependent on which of those crops are planted in 2019. A producer's total payment-eligible plantings cannot exceed total 2018 plantings. [View payment rates by county](#).

## Dairy and Hogs

Dairy producers who were in business as of June 1, 2019, will receive a per hundredweight payment on production history, and hog producers will receive a payment based on the number of live hogs owned on a day selected by the producer between April 1 and May 15, 2019.

## Specialty Crops

MFP payments will also be made to producers of almonds, cranberries, cultivated ginseng, fresh grapes, fresh sweet cherries, hazelnuts, macadamia nuts, pecans, pistachios, and walnuts. Each specialty crop will receive a payment based on 2019 acres of fruit or nut bearing plants, or in the case of ginseng, based on harvested acres in 2019.

## More Information

Payments will be made in up to three tranches, with the second and third tranches evaluated as market conditions and trade opportunities dictate. If conditions warrant, the second and third tranches will be made in November and early January.

MFP payments are limited to a combined \$250,000 for non-specialty crops per person or legal entity. MFP payments are also limited to a combined \$250,000 for dairy and hog producers and a combined \$250,000 for specialty crop producers. However, no applicant can receive more than \$500,000. Eligible applicants must also have an average adjusted gross income (AGI) for tax years 2015, 2016, and 2017 of less than \$900,000, or 75 percent of the person's or legal entity's average AGI for those tax years must have been derived from farming and ranching. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.

More information can be found on [farmers.gov/mfp](https://farmers.gov/mfp), including payment information and a program application.

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## 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 52<sup>nd</sup> 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](http://www.farmers.gov). More information on CRP can be found at [www.fsa.usda.gov/crp](http://www.fsa.usda.gov/crp).

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## Transitioning Expiring CRP Land to Beginning, Veteran or Underserved Farmers and Ranchers

Retired or retiring landowners or operators are encouraged to transition their Conservation Reserve Program (CRP) acres to beginning, veteran or underserved farmers or ranchers through the Transition Incentives Program (TIP). TIP provides annual rental payments to the retiring farmer for up to two additional years after the CRP contract expires, provided the transition is not to a family member.

Enrollment in TIP is on a continuous basis. Beginning, veteran or underserved farmers and ranchers and retiring CRP participants may enroll in TIP beginning one year before the expiration date of the CRP contract or Aug. 23. For example, if a CRP contract is scheduled to expire on Sept. 30, 2019, the land may be offered for enrollment in TIP beginning June 3, 2019, through Aug. 23, 2019. The Aug. 23 deadline allows the Natural Resources Conservation Service (NRCS) time to complete the TIP sustainable grazing or crop production conservation plans. The TIP application must be submitted prior to completing the lease or sale of the affected lands.

New landowners or renters must return the land to production using sustainable grazing or farming methods.

For more information on TIP, visit <https://www.fsa.usda.gov/conservation>.

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## USDA Announces New Decision Tool for New Dairy Margin Coverage Program

USDA announced the availability of a new [web-based tool](#) – developed in partnership with the University of Wisconsin – to help dairy producers evaluate various scenarios using different coverage levels through the new [Dairy Margin Coverage](#) (DMC) program.

The 2018 Farm Bill authorized DMC, a voluntary risk management program that offers financial 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. It replaces the program previously known as the Margin Protection Program for Dairy. Sign up for this USDA Farm Service Agency (FSA) program opened on June 17.

The University of Wisconsin launched the decision support tool in cooperation with FSA and funded through a cooperative agreement with the USDA Office of the Chief Economist. The tool was designed to help producers determine the level of coverage under a variety of conditions that will provide them with the strongest financial safety net. It allows farmers to simplify their coverage level

selection by combining operation data and other key variables to calculate coverage needs based on price projections.

The decision tool assists producers with calculating total premiums costs and administrative fees associated with participation in DMC. It also forecasts payments that will be made during the coverage year.

For more information, access the tool at [fsa.usda.gov/dmc-tool](https://fsa.usda.gov/dmc-tool). For DMC sign up, eligibility and related program information, visit [fsa.usda.gov](https://fsa.usda.gov) or contact your local [USDA Service Center](#).

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## Storage and Handling Trucks Eligible for Farm Storage Facility Loans

Farm Storage Facility Loans (FSFL) provide low-interest financing so producers can build or upgrade facilities to store commodities. Some storage and handling trucks are eligible for the FSFL. These include:

- **Cold Storage Trucks**-A van or truck designed to carry perishable freight at specific temperatures. Cold storage trucks can be ice-cooled or equipped with any variety of mechanical refrigeration systems.
- **Flatbed Trucks**-Truck with an open body in the form of a platform with no side walls for easy loading and unloading. These trucks can be categorized into different sizes which range from light, medium, or heavy duty, compact or full-size, or short and expandable beds.
- **Grain Trucks**-A piece of farm equipment specially made to accommodate grain products and are traditionally truck chassis units with a mounted grain “dump” body where grain commodities are transported from a field to either a grain elevator or a storage bin.
- **Storage Trucks with a Chassis Unit**-Commonly referred to as a box truck, box van or straight truck, is a truck with a cargo body mounted on the same chassis with the engine and cab.

To be eligible for FSFL, the storage and handling truck must be less than 15 years old and have a maximum of four axles with a gross weight rating of 60,000 pounds or less. Pick-up trucks, semi-trucks, dump trucks, and simple insulated and ventilated vans are ineligible for FSFL.

FSFL for storage and handling trucks must be \$100,000 or less. FSFL-financed storage and handling trucks must be used for the purpose for which they were acquired for the entire FSFL term.

Eligible commodities include grains, oilseeds, pulse crops, hay, honey, renewable biomass commodities, fruits and vegetables, floriculture, hops, maple sap, milk, cheese, yogurt, butter, eggs, meat/poultry (unprocessed), rye and aquaculture.

For more information or to apply for a FSFL, contact your local [FSA Service Center](#).

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## Producers are Encouraged to Report Prevented Planting and Failed Acres

USDA Farm Service Agency (FSA) reminds producers to report prevented planting and failed acres in order to establish or retain FSA program eligibility for some programs.

Producers should report crop acreage they intended to plant, but due to natural disaster, were prevented from planting. Prevented planting acreage must be reported on form *CCC-576, Notice of Loss*, no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA).

Contact your local FSA office for a list of final planting dates by crop.

If a producer is unable to report the prevented planting acreage within the 15 calendar days following the final planting date, a late-filed report can be submitted. Late-filed reports will only be accepted if FSA conducts a farm visit to assess the eligible disaster condition that prevented the crop from being planted. A measurement service fee will be charged.

Additionally, producers with failed acres should also use form *CCC-576, Notice of Loss*, to report failed acres.

Producers of hand-harvested crops and certain perishables must notify FSA of damage or loss through the administrative County Office within 72 hours of the date of damage or loss first becomes apparent. This notification can be provided by filing a *CCC-576*, email, fax or phone. Producers who notify the County Office by any method other than by filing the *CCC-576* are still required to file a *CCC-576, Notice of Loss*, within the required 15 calendar days.

For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP), producers must file a *Notice of Loss* within 15 days of the occurrence of the disaster or when losses become apparent. Producers must timely file a *Notice of Loss* for failed acres on all crops including grasses.

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## 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](#).

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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](#) 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 \$600,000 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](http://www.fsa.usda.gov). To find your local FSA office, visit <http://offices.usda.gov>.

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## Selected Interest Rates for August 2019

90-Day Treasury Bill	2.25%
Farm Operating Loans — Direct	2.875%
Farm Ownership Loans — Direct	3.625%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.5%
Emergency Loans	3.75%
Farm Storage Facility Loans - (3 years)	1.750%
Farm Storage Facility Loans - (5 years)	1.750%

Farm Storage Facility Loans - (7 years)	1.875%
Farm Storage Facility Loans - (10 years)	2.000%
Farm Storage Facility Loans - (12 years)	2.125%
Commodity Loans 1996-Present	3.000%

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## Dates to Remember

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

Sept. USDA Offices Closed for Labor Day Holiday.  
2

Sept. Deadline to submit 2020 NAP application for coverage, pay fee and elect buy up coverage for  
3 Value Loss crops.

Sept. Deadline to submit 2020 acreage report of value loss crops.  
30

Sept. Deadline to submit 2020 NAP application for coverage, pay fee and elect buy up coverage for  
30 small grains, wheat and triticale crops for forage.

Oct. Deadline to submit 2019 Organic Certification Cost Share Program applications.  
31

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.

Cont. When you have harvested 2019 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.

Cont. Producers with NAP coverage are reminded that a NAP covered crop must be reported to FSA 15 days prior to beginning of harvest or grazing.

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

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