

April 2016



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## Virginia FSA State Newsletter

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### Virginia April Topics

#### FSA State Office

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State  
Executive  
Director

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### USDA Regional Climate Change Hubs

804-287-  
1503  
855-621-  
5866 fax

**Hours**  
Monday -  
Friday  
7:30 a.m. -  
4:30 p.m.

Agriculture Secretary Tom Vilsack established the first ever USDA Regional Climate Change Hubs in February 2014 at seven locations around the country to provide more information to farmers, ranchers and forest landowners on the increasing risks of fires, pests, floods, and droughts associated with a changing climate. For general information on Climate Hubs,

visit <http://www.climatehubs.oce.usda.gov/sites/default/files/USDA%20Regional%20Hub%20for%20Risk%20Adaptation%20and%20Mitigation%20to%20Climate%20Change%202015.pdf> For information on the Climate Hub in your Region, visit <http://climatehubs.oce.usda.gov> and Click on the region to learn more.

State Office  
Staff  
Pete

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### Enrollment Period for 2016 ARC and PLC Ends Aug. 1

Adamson,  
Chief  
Farm Loans

Producers who chose coverage from the safety net programs established by the 2014 Farm Bill, known as the Agriculture Risk Coverage (ARC) or the Price Loss Coverage (PLC) programs, can visit FSA county offices through Aug. 1, 2016, to sign contracts to enroll in coverage for 2016.

Brent L.  
Whitlock,  
Chief  
Farm  
Programs

Although the choice between ARC and PLC is completed and remains in effect through 2018, producers must still enroll their farm by signing a contract each year to receive coverage.

Connie  
Washburn-  
Marsh,  
Chief  
Administrati  
on Officer

Producers are encouraged to contact their local FSA office to schedule an appointment to enroll. If a farm is not enrolled during the 2016 enrollment period, producers on that farm will not be eligible for financial assistance from the ARC or PLC programs should crop prices or farm revenues fall below the historical price or revenue benchmarks established by the program.

Diane  
Lenoir-Giles  
Public  
Relations/O  
utreach  
Specialist

The two 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 and wheat. Upland cotton is no longer a covered commodity. For more details regarding these programs, go to [www.fsa.usda.gov/arc-plc](http://www.fsa.usda.gov/arc-plc).

**Virginia  
FSA  
Internet**  
More  
Information  
about  
Virginia FSA  
programs,  
activities  
and news  
can be  
found on the  
VA FSA  
Internet at

For more information, producers are encouraged to visit their local FSA office. To find a local FSA office, visit <http://offices.usda.gov>.

<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>

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Halifax  
Hanover  
Harrisonburg  
Jonesville  
Lawrenceville  
Lebanon  
Lexington  
Louisa  
Orange  
Rocky Mount  
Rustburg  
Smithfield  
Strasburg  
Stuart  
Suffolk  
Sussex  
Tappahannock  
Verona  
Warrenton  
Warsaw  
Wytheville.

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

Orchardists and nursery tree growers who experience losses from natural disasters during calendar year 2016 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. 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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## **2011, 2012, 2013 and 2014 Average Adjusted Gross Income Compliance Reviews**

The AGI verification and compliance reviews for 2011, 2012, 2013 and 2014 are conducted on producers who the IRS indicated may have exceeded the adjusted gross income limitations described in [7 CFR 1400.500]. Based on this review, producers will receive determinations of eligibility or ineligibility.

If the producer is determined to have exceeded the average AGI limitation of \$900,000, receivables will be established for payments earned directly or indirectly by the producer subject to the \$900,000 limitation. The Virginia FSA Office has begun notifying producers selected for review. If you have any questions about the review process or determinations, please contact the Virginia FSA Office at 804-287-1546. Producers who receive initial debt notification letters may only appeal the amount of the debt to their local FSA office. Payment eligibility adverse determinations become administratively final 30 days from the date of the payment eligibility adverse determination letter and can only be reopened if exceptional circumstances exist that prevented the producer from timely filing the appeal.

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## **ARC, PLC and CTAP Acreage Maintenance**

Producers enrolled in Agriculture Risk Coverage (ARC), Price Loss Coverage (PLC) or the Cotton Transition Assistance Program (CTAP) must protect all cropland and noncropland acres on the farm from wind and water erosion and noxious weeds. Producers who sign ARC county or individual contracts and PLC contracts agree to effectively control noxious weeds on the farm according to sound agricultural practices. If a producer fails to take necessary actions to correct a maintenance problem on a farm that is enrolled in ARC, PLC or CTAP, the County Committee may elect to terminate the contract for the program year.

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## USDA Financial Assistance Available to Help Organic Farmers Create Conservation Buffers

USDA is assisting organic farmers with the cost of establishing up to 20,000 acres of new conservation buffers and other practices on and near farms that produce organic crops.

The financial assistance is available from the USDA Conservation Reserve Program (CRP), a federally funded voluntary program that contracts with agricultural producers so that environmentally sensitive land is not farmed or ranched, but instead used for conservation benefits. CRP participants establish long-term, resource-conserving plant species, such as approved grasses or trees (known as “covers”) to control soil erosion, improve water quality and develop wildlife habitat. In return, FSA provides participants with rental payments and cost-share assistance. Contract duration is between 10 and 15 years.

For conservation buffers, funds are available for establishing shrubs and trees, or supporting pollinating species, and can be planted in blocks or strips. Interested organic producers can offer eligible land for enrollment in this initiative at any time.

Other USDA FSA programs that assist organic farmers include:

- The Noninsured Crop Disaster Assistance Program that provides financial assistance for 55 to 100 percent of the average market price for organic crop losses between 50 to 65 percent of expected production due to a natural disaster.
- Marketing assistance loans that provide interim financing to help producers meet cash flow needs without having to sell crops during harvest when market prices are low, and deficiency payments to producers who forgo the loan in return for a payment on the eligible commodity.
- A variety of loans for operating expenses, ownership or guarantees with outside lenders, including streamlined microloans that have a lower amount of paperwork.
- Farm Storage Facility Loans for that provide low-interest financing to build or upgrade storage facilities for organic commodities, including cold storage, grain bins, bulk tanks and drying and handling equipment.
- Services such as mapping farm and field boundaries and reporting organic acreage that can be provided to a farm’s organic certifier or crop insurance agent.

Visit [www.fsa.usda.gov/organic](http://www.fsa.usda.gov/organic) to learn more about how FSA can help organic farmers. For an interactive tour of CRP success stories, visit [www.fsa.usda.gov/CRPis30](http://www.fsa.usda.gov/CRPis30) or follow #CRPis30 on Twitter. To learn more about FSA programs visit a local FSA office or [www.fsa.usda.gov](http://www.fsa.usda.gov). To find your local FSA office, visit <http://offices.usda.gov>

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## Loan Servicing

There are options for Farm Service Agency loan customers during financial stress. If you are a borrower who is unable to make payments on a loan, contact your local FSA Farm Loan Manager to learn about the options available to you.

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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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## **Special Interest Rates for April 2016**

90-Day Treasury Bill - 0.625%

Farm Operating Loans — Direct - 2.25%

Farm Ownership Loans — Direct - 3.50%

Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher - 1.50%

Emergency Loans - 3.25%

Farm Storage Facility Loans (7 years) - 1.875%

Farm Storage Facility Loans (10 years) - 2.000%

Commodity Loans 1996-Present - 1.625%

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## **Dates to Remember**

Continuous - Application(s) and supporting documentation for 2016 TAP (trees, bushes or vines) must be provided within 90 calendar days of the disaster event(s) or loss is apparent.

Continuous - Submit CREP, Continuous CRP and Grassland CRP Enrollment Offers.

- Continuous - Submit AD-1026 for forest land to be cleared for agricultural use and new ground (hay and pasture) to be planted to a row crop or vegetable.
- Continuous - NAP notices of losses must be reported to the County Office within 72 hours of the loss for hand harvested crops and a signed notice of loss must be filed with 15 days of the occurrence of the disaster or when losses become apparent.
- Continuous - Timely report changes in your farming operation to the County Office in writing and update your CCC-902 Farm Operating Plan.
- Continuous - Need on farm grain, hay or cold storage consider FSFL contact your local FSA Office for details.
- Continuous - To insure maximum use of your time and to insure that you are afforded our full attention to your important business needs, please call your County Office ahead of your visit to set an appointment.

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For more information on bulletin subjects or details regarding your GovDelivery subscription with the Virginia FSA State Office, contact Dan Mertz at [dan.mertz@va.usda.gov](mailto:dan.mertz@va.usda.gov) or call at 804-287-1548.

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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).