

December 2015



Indiana Farm Service Agency Program Updates

Indiana Farm Service Agency

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From the FSA Farm Fields

Indiana Farmers and Stakeholders:

As the year winds down and we prepare to launch into 2016, it is important to reflect on the year we just finished. It has been a record one for certain. I know you join me in thanking our dedicated FSA employees who work tirelessly, on your behalf. They strive to make certain your files are in order, your information is accurate and our forms are ready for your signature when you enter your local service center. It has been a big year in rolling out a new Farm Bill and enacting programs that are new for us, as employees to administer, and you, as farmers to receive.

Thank you for your efforts in producing our safe, wholesome and affordable food supply. The efficiencies you have found in the cab of the tractor or combine enable our country to feed the world, and as the world population expands, it will require even more food. I wish you and your families a very Merry Christmas and Happy New Year!

Happy Holidays!

Julia A. Wickard

Enrollment Period Underway for 2016 USDA Safety Net Coverage

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 now begin visiting FSA county offices to sign contracts to enroll in coverage for 2016. The enrollment period will continue until Aug. 1, 2016.

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.

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.

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.

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

USDA Begins 49th Enrollment Period for the Conservation Reserve Program

December 2015 Marks 30th Anniversary for the Nation's Most Successful Voluntary Conservation Program

The general enrollment period for the Conservation Reserve Program (CRP) is now underway and ends on Feb. 26, 2016. December 2015 also marks the 30th anniversary of CRP, a federally funded program that assists agricultural producers with the cost of restoring, enhancing and protecting certain grasses, shrubs and trees to improve water quality, prevent soil erosion and reduce loss of wildlife habitat.

As of September 2015, 24.2 million acres were enrolled in CRP. CRP also is protecting more than 170,000 stream miles with riparian forest and grass buffers, enough to go around the world 7 times. For an interactive tour of CRP success stories from across the U.S., visit www.fsa.usda.gov/CRPis30, or follow on Twitter at #CRPis30.

Participants in CRP 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 on marginally productive agricultural lands. In return, FSA provides participants with rental payments and cost-share assistance. At times when commodity prices are low, enrolling sensitive lands in CRP can be especially attractive to farmers and ranchers, as it softens the economic hardship for landowners at the same time that it provides ecological benefits. Contract duration is between 10 and 15 years. The long-term goal of the program is to re-establish native plant species on marginal agricultural lands for the primary purpose of preventing soil erosion and improving water quality and related benefits of reducing loss of wildlife habitat.

Contracts on 1.64 million acres of CRP are set to expire on Sept. 30, 2016. Producers with expiring contracts or producers with environmentally sensitive land are encouraged to evaluate their options under CRP.

Since it was established on Dec. 23, 1985, CRP has:

- Prevented more than 9 billion tons of soil from eroding, enough soil to fill 600 million dump trucks;
- Reduced nitrogen and phosphorous runoff relative to annually tilled cropland by 95 and 85 percent respectively;
- Sequestered an annual average of 49 million tons of greenhouse gases, equal to taking 9 million cars off the road.

Since 1996, CRP has created nearly 2.7 million acres of restored wetlands.

For more information FSA conservation programs, visit a local FSA office or www.fsa.usda.gov/conservation.

USDA Removes Farm Program Payments to Managers Not Actively Engaged in Farming

USDA finalized a rule to ensure that farm safety-net payments are issued only to active managers of farms that operate as joint ventures or general partnerships, consistent with the direction and authority provide by Congress in the 2014 Farm Bill. The action, which exempts family farm operations, closes a loophole where individuals who were not actively part of farm management still received payments.

Since 1987, the broad definition of “actively engaged” resulted in some general partnerships and joint ventures adding managers to the farming operation, qualifying for more payments, that did not substantially contribute to management. The rule applies to operations seeking more than one farm manager, and requires measureable, documented hours and key management activities each year. Some operations of certain sizes and complexity may be allowed up to three qualifying managers under limited conditions. The changes apply to payments for 2016 and subsequent crop years for Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) Programs, Loan Deficiency Payments (LDP) and Marketing Loan Gains (MLG) realized via the Marketing Assistance Loan program.

As required by Congress, the new rule does not apply to family farms, or change regulations related to contributions of land, capital, equipment, or labor. The changes go into effect for the 2016 crop year for most farms. Farms that have already planted fall crops for 2016 have until the 2017 crop year to comply. For more details, producers are encouraged to consult their local Farm Service Agency office.

Farmers to Receive Documentation of USDA Services

Local Offices Issue Receipts for Services Provided

Farm Service Agency (FSA) reminds agricultural producers that FSA provides a receipt to customers who request or receive assistance or information on FSA programs.

As part of FSA's mission to provide enhanced customer service, producers who visit FSA will receive documentation of services requested and provided. As of mid November 2015, FSA issued more than 850,000 electronic receipts.

The 2014 Farm Bill requires a receipt to be issued for any agricultural program assistance requested from FSA, the National Resources Conservation Service (NRCS) and Rural Development (RD). Receipts include the date, summary of the visit and any agricultural information, program and/or loan assistance provided to an individual or entity.

In some cases, a form or document – such as a completed and signed program enrollment form – serve as the customer receipt instead of a printed or electronic receipt. A service is any information, program or loan assistance provided whether through a visit, email, fax or letter.

To learn more about FSA, visit www.fsa.usda.gov.

Youth Loans for Livestock Projects

'Tis the season to begin thinking about purchasing livestock for the fair circuit next year.

The Farm Service Agency makes loans to youth to establish and operate agricultural income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5000.

Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the youth loan applicant, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms.

Beginning Farmer Loans

FSA assists beginning farmers to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county's average size farm.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit www.fsa.usda.gov.

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).