

## **2<sup>nd</sup> QUARTER NEWSLETTER - APRIL, MAY, JUNE 2013**

### **Louisiana FSA Public Website address:**

<http://www.fsa.usda.gov/FSA/stateoffapp?mystate=la&area=home&subject=landing&topic=landing>

### **DCP/ACRE SIGN-UP CONTINUES**

DCP and ACRE signups for the 2013 crops are on-going. The DCP sign-up period will end on Aug. 2, 2013; and the ACRE sign-up period will end on June 3, 2013.

The 2013 DCP and ACRE program provisions are unchanged from 2012, except that all eligible participants in 2013 may choose to enroll in either DCP or ACRE for the 2013 crop year. This means that eligible producers who were enrolled in ACRE in 2012 may elect to enroll in DCP in 2013 or may re-enroll in ACRE in 2013. Likewise producers who were enrolled in DCP may opt for ACRE enrollment.

[Read more about DCP and ACRE](#) or contact the FSA county office for more information, or an appointment to enroll.

### **45<sup>th</sup> CRP GENERAL SIGN-UP**

USDA will conduct a four-week general sign-up for the Conservation Reserve Program (CRP), beginning May 20 and ending on June 14, 2013. CRP protects the nation's natural resources through voluntary participation, while providing significant economic and environmental benefits to rural communities across the United States.

Currently, about 27 million acres are enrolled in CRP. Producers that are accepted in the sign-up can receive cost-share assistance to plant long-term, resource-conserving covers and receive an annual rental payment for the length of the contract (10-15 years).

Contracts on 3.3 million acres of CRP are set to expire on Sept. 30, 2013. Producers with expiring contracts or producers with environmentally sensitive land are encouraged to evaluate their options under CRP.

For more information on CRP and other FSA programs, visit a local FSA service center or [www.fsa.usda.gov](http://www.fsa.usda.gov).

### **2011 SUPPLEMENTAL REVENUE ASSISTANCE PROGRAM APPLICATIONS**

The Farm Service Agency (FSA) will continue to accept SURE applications for 2011 crop losses through June 7, 2013. The SURE Program provides payments to producers when crop revenues are less than the crop guarantee. The SURE Program payment is equal to 60 percent of the difference between the crop guarantee and calculated farm revenue.

To determine the guarantee and revenue for the SURE Program, all crops on all farms for a producer are included in the calculation. Payments under the SURE Program are limited to \$100,000, in combination with other disaster programs.

To be eligible for SURE, a producer must have at least one crop of economic significance with a 10 percent production loss caused by a natural disaster. "Production loss" is determined based on a value calculated for the crop. The producer also had to have all crops of economic significance covered by crop insurance or FSA's Noninsured Crop Disaster Assistance Program.

For more information concerning the 2011 SURE program or other Farm Service Agency programs, contact your local FSA office or visit the Farm Service Agency website at [www.fsa.usda.gov/](http://www.fsa.usda.gov/).

## **ACTIVELY ENGAGED**

To be eligible for payments and benefits under specified programs, all program participants, either individuals or legal entities, must provide significant contributions to the farming operation to be considered as "actively engaged in farming." Contributions can consist of capital, land, and/or equipment, as well as active personal labor and/or active personal management. The management contribution must be critical to the profitability of the farming operation and the contributions must be at risk.

Each partner, stockholder or member with an ownership interest must contribute active personal labor and/or active personal management to the farming operation on a regular basis. The contribution must be identifiable and documentable; as well as separate and distinct from the contributions made by any other partner, stockholder or member. If any partner, stockholder or member with an ownership interest fails to meet this requirement, program payments will be reduced by the corresponding share held by that partner, stockholder or member. There is an exception allowed for legal entities, such as corporations, if total direct payments received both directly and indirectly, by the legal entity and its members do not exceed \$40,000.

## **PAYMENT LIMITATION AND ELIGIBILITY REQUIREMENTS**

In order to receive USDA benefits subject to various payment limitation and eligibility provisions, producers must file a Farm Operating Plan for Payment Eligibility and supporting documentation for County Committees to make determinations for actively engaged, cash-rent tenant, foreign person and minor child rules as applicable. To be considered "actively engaged in farming," all program participants, either individuals or legal entities, must provide significant contributions to the farming operation. Contributions can consist of capital, land, and/or equipment, as well as active personal labor and/or active personal management. The management contribution must be critical to the profitability of the farming operation and the contributions must be at risk.

Each partner, stockholder or member with an ownership interest must contribute active personal labor and/or active personal management to the farming operation on a regular basis. The contribution must be identifiable and documentable; as well as separate and distinct from the contributions made by any other partner, stockholder or member. If any partner, stockholder or member with an ownership interest fails to meet this requirement, program payments will be reduced by the corresponding share held by that partner, stockholder or member. There is an exception allowed for legal entities,

such as corporations, if total direct payments received both directly and indirectly, by the legal entity and its members do not exceed \$40,000.

Producers, (individuals, members of joint operations, entities and members of entities), must also file CCC-931 to certify to adjusted gross income (AGI) status and to provide consent to disclosure for the IRS to notify FSA if it appears the producer's AGI exceeds applicable AGI limitations. Applicable program benefits will not be provided until all required forms are submitted to FSA and all necessary payment limitation and eligibility determinations made.

## **MICROLOAN PROGRAM**

The Farm Service Agency (FSA) developed the Microloan (ML) program to better serve the unique financial operating needs of beginning, niche and small family farm operations.

FSA offers applicants a Microloan designed to help farmers with credit needs of \$35,000 or less. The loan features a streamlined application process built to fit the needs of new and smaller producers. This loan program will also be useful to specialty crop producers and operators of community supported agriculture (CSA).

Eligible applicants can apply for a maximum amount of \$35,000 to pay for initial start-up expenses such as hoop houses to extend the growing season, essential tools, irrigation and annual expenses such as seed, fertilizer, utilities, land rents, marketing, and distribution expenses. As financing needs increase, applicants can apply for a regular operating loan up to the maximum amount of \$300,000 or obtain financing from a commercial lender under FSA's Guaranteed Loan Program.

Individuals interested in applying for a microloan or who would like to discuss other farm loan programs available, should contact the local FSA office to setup an appointment with a loan approval official.

## **ACREAGE CERTIFICATION**

Time is nearing for producers to certify their 2013 acreage. Filing an accurate acreage report for all crops and land uses, including failed acreage and prevented planted acreage, can prevent the loss of benefits for a variety of programs.

Failed acreage shall be filed before the disposition of the crop and the acreage must have been planted under normal conditions but failed as the result of a natural disaster and not a management decision. Prevented planted acreage must be filed no later than 15 calendar days after the final planting date for the applicable crop. Acreage reports are required for many Farm Service Agency programs. For crops enrolled in programs other than NAP (Noninsured Crop Disaster Assistance Program), acreage reports are to be certified by July 15, 2013 deadline.

Producers of NAP crops should report their crop acreage the **earlier of** 1) July 15, 2013 for spring and summer planted crops, or 2) 15 calendar days before the onset of harvest or grazing of the specific crop acreage being reported.

## **CRP NON-DISTURBANCE PERIOD**

The three-month non-disturbance period for acreage enrolled in USDA's Conservation Reserve Program (CRP) began April 15 and continues through July 15, 2013. During this period of time, no maintenance activities of any kind, such as mowing or clipping, are authorized on the CRP contract acreage.

## **ADJUSTED GROSS INCOME**

USDA and the Internal Revenue Service have established an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent is required from each producer or payment recipient for the tax review process. No actual tax data will be included in the report that IRS sends to FSA.

This ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs.

Participants in CCC programs subject to average AGI rules must submit form CCC-931 to their local FSA County Office to avoid interruption of program benefits. This form may be obtained from local FSA and NRCS offices or online at: <http://forms.sc.egov.usda.gov/eforms/mainervlet>.

## **HISPANIC AND WOMEN FARMERS AND RANCHERS CLAIMS PROCESS EXTENDED UNTIL MAY 1, 2013**

Agriculture Secretary Tom Vilsack has announced the extension of the voluntary claims process for Hispanic and women farmers and ranchers who allege discrimination by the USDA in past decades. All claims must now be filed by **May 1, 2013**.

USDA urges potential claimants to contact the Claims Administrator for information and mail their claim packages on or before May 1, 2013.

The process offers a voluntary alternative to litigation for each Hispanic or female farmer and rancher who can prove that USDA denied his or her application for loan or loan servicing assistance for discriminatory reasons for certain time periods between 1981 and 2000. As announced in February 2011, the voluntary claims process will make available at least \$1.33 billion for cash awards and tax relief payments, plus up to \$160 million in farm debt relief, to eligible Hispanic and women farmers and ranchers. There are no filing fees to participate in the program.

Claimants may register for a claims package by calling the telephone number below Monday through Friday 9 a.m. to 8 p.m. Eastern Time or by downloading the forms from the website.

Website: [www.farmerclaims.gov](http://www.farmerclaims.gov)

Phone: 1-888-508-4429

Fax: (855) 626-8343

Email: [claims@hwfr.org](mailto:claims@hwfr.org)

Claims Period: September 24, 2012 – May 1, 2013.

Claim packages and other documentation may be mailed to Hispanic and Women Farmers and Ranchers Claims Administrator, PO Box 4540, Portland, OR 97208-4540. Claim packages and other documentation may also be emailed to [claims@hwfr.org](mailto:claims@hwfr.org). Claimants may also fax claims packages and other documentation to (855) 626-8343. Completed forms and documentation must be received no later than 11:59 p.m. PDT on May 1, 2013.

## **NAP**

NAP participants are reminded to report acreage planted to crops that are covered under NAP the earlier of 15 days prior to harvest or July 15, 2013. If you have a grazing policy you should have reported the acreage by April 1, 2013. There are provisions for paying a late-filed fee and filing a late report.

## **GOVDELIVERY**

The USDA Farm Service Agency offices are moving toward a paperless operation.

Producers are asked to enroll in the new GovDelivery system which will provide notices, newsletters and electronic reminders instead of a hard copy through the mail. FSA, like many other organizations, is trying to work smarter and be more efficient. Moving to electronic notifications via email will help conserve resources and save taxpayer dollars.

County Committee ballots will continue to be mailed to all eligible producers.

Producers can subscribe to receive free e-mail updates by going to <http://www.fsa.usda.gov/subscribe>.

## **FARM STORAGE FACILITY LOANS**

The Farm Storage Facility Loan Program (FSFLP) allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The new maximum principal amount of a loan through FSFL is \$500,000. Participants are now required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. New loan terms of seven, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the U.S. Treasury Department.

Funds will be disbursed when all construction is completed. Applications for FSFL must be submitted to the FSA Parish Office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin.

Producers must substantiate credit worthiness, the ability to repay, and eligibility for the desired storage capacity based on their share of the planted acreage of the commodities to be stored. The producer must provide security for the loan. FSFL's are

considered to be adequately secured when the value of real estate security is received, producers are required to pay for an appraisal, as arranged by FSA, for the real estate and any improvements such as existing bins, with no guarantee that the loan will be approved. Loans are also available to build cold storage facility and barns for eligible commodities.

### **MARKETING ASSISTANCE LOANS (MAL)**

Short-term financing is available by obtaining low interest commodity loans for eligible harvested production. A 9-month Marketing Assistance Loan provides financing that allows producers to store production for later marketing. The crop may be stored on the farm or in the warehouse.

Loans are available for producers who share in the risk of producing the eligible commodity and maintain beneficial interest in the crop through the duration of the loan. Beneficial interest means retaining the ability to make decisions about the commodity, responsibility for loss because of damage to the commodity, and title to the commodity. Once beneficial interest in a commodity is lost, it is ineligible for a loan, even if you regain beneficial interest.

The deadline to request loans is May 31, 2013, for corn, soybeans, grain sorghum, rice, cotton and sunflowers.

### **FARM-STORAGE COMMODITY LOAN REMINDER**

Farmers with an outstanding farm-stored commodity loan are reminded to request an authority to move the commodity from the FSA Parish Office prior to movement to another bin site, a buyer or prior to feeding of any grain under loan. National procedure requires penalties for noncompliance, such as liquidated damages and denial of future loans. Always call before you move any commodity under loan.

### **RURAL YOUTH LOANS**

The Farm Service Agency makes loans to rural youths to establish and operate 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.

For more information you can stop by your FSA county office. Our staff can help with preparing and processing the application forms.

### **BEGINNING AND LIMITED RESOURCE FARMERS**

FSA assists beginning farmers and or members of socially disadvantaged groups 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 that 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 median size.

Additional program information, loan applications and other materials are available at your local USDA Service Center. You may visit [www.fsa.usda.gov](http://www.fsa.usda.gov)

## **LOANS FOR THE SOCIALLY DISADVANTAGED**

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating or help purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for socially disadvantaged applicants.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of a group.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

## **FARM RECORD CHANGES**

June 1, 2013 is the deadline to provide changes to your farm records at the local FSA office for the current crop year. If you are changing your operation entity type, adding or dropping cropland or farms, or adding entities to your operation, contact the FSA county office by June 1.

Selected Interest Rates for March 2013	
90-Day Treasury Bill	.125%
Farm Operating Loans — Direct	1.375%
Farm Ownership Loans — Direct	3.5%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.5%
Emergency Loans	2.375%

Dates to Remember	
April 20	FCIC final planting date for <b>Corn</b>
May 1	Deadline for Hispanic and Women Farmers & Ranchers Claims Process
May 8	FCIC final planting date for <b>Rice</b> , Acadia, Calcasieu, Cameron, Jeff Davis, Vermilion
May 15	FCIC final planting date for <b>Rice</b> , Allen, Avoyelles, Beauregard, Evangeline, Iberia, Lafayette, Pointe Coupee, Rapides, St. Landry, St. Martin
May 15	FCIC final planting date for <b>Grain Sorghum</b>
May 25	FCIC final planting date for <b>Rice</b> , Bossier, Caddo, Caldwell, Catahoula, Concordia, East Carroll, Franklin, Madison, Morehouse, Natchitoches, Ouachita, Red River, Richland, Tensas, West Carroll
May 25	FCIC final planting date for <b>Cotton</b>
May 25	FCIC final planting date for <b>Peanuts</b> , Morehouse
May 31	Final date to request commodity loans for 2012 - crop corn, soybeans, grain sorghum, cotton, rice and sunflower
June 3	2013 ACRE sign-up deadline
June 7	2011 SURE sign-up deadline
June 15	FCIC final planting date for <b>Soybeans</b> , not following another crop
June 25	FCIC final planting date for <b>Soybeans</b> , double crop
June 30	FCIC final planting date for <b>Sweet Potatoes</b>