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North Carolina FSA in the New Year

North Carolina Farm Service Agency

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USDA Expands Microloans to Help Farmers Purchase Farmland and Improve Property

Producers, Including Beginning and Underserved Farmers, Have a New Option to Gain Access to Land

The U.S. Department of Agriculture (USDA) will begin offering farm ownership microloans, creating a new financing avenue for farmers to buy and improve property. These microloans will be especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations.

The microloan program, which celebrates its third anniversary this week, has been hugely successful, providing more than 16,800 low-interest loans,

State Executive Director:

Bob Etheridge

Executive Officer:

Cindy Kernodle

Division Chiefs:

Mike Eaves:
Administrative Officer

Chief Farm Programs:
Vacant

Mike Huskey: Chief
Farm Loan Programs

**State Committee Meeting:
Monthly First Tuesday**

Please contact your [local FSA Office](#) for questions specific to your operation.

Federal Holiday Closings

President's Day Holiday -
February 15

totaling over \$373 million to producers across the country. Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013. Seventy percent of loans have gone to new farmers.

Now, microloans will be available to also help with farm land and building purchases, and soil and water conservation improvements. FSA designed the expanded program to simplify the application process, expand eligibility requirements and expedite smaller real estate loans to help farmers strengthen their operations. Microloans provide up to \$50,000 to qualified producers, and can be issued to the applicant directly from the USDA Farm Service Agency (FSA).

This microloan announcement is another USDA resource for America's farmers and ranchers to utilize, especially as [new and beginning farmers and ranchers](#) look for the assistance they need to get started. To learn more about the FSA microloan program visit www.fsa.usda.gov/microloans, or contact your local FSA office. To find your nearest office location, please visit <http://offices.usda.gov>.

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.

Loans for Targeted Underserved Producers

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

While all qualified producers are eligible to apply for these loan programs, FSA has provided priority funding for members of targeted underserved applicants.

A targeted underserved 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 the group without regard to his or her individual qualities.

For purposes of this program, targeted underserved groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

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

North Carolina Producers May be Eligible for Emergency Conservation Program Assistance

Farms and ranches suffering severe damage may be eligible for assistance under the Emergency Conservation Program (ECP) administered by the Farm Service Agency (FSA) County Offices if the damage:

- will be so costly to rehabilitate that Federal assistance is or will be needed to return the land to productive agricultural use
- is unusual and is not the type that would recur frequently in the same area
- affect the productive capacity of the farmland
- will impair or endanger the land

A producer qualifying for ECP assistance may receive cost-share levels not to exceed 75 percent of the eligible cost of restoration measures. No producer is eligible for more than \$200,000 cost sharing per natural disaster occurrence. The following types of measures may be eligible:

- removing debris from farmland
- grading, shaping, or releveling severely damaged farmland
- restoring permanent fences
- restoring conservation structures and other similar installations

Producers who have suffered a loss from a natural disaster may contact the local FSA County Office and request assistance from date to date.

To be eligible for assistance, practices must not be started until all of the following are met:

- an application for cost-share assistance has been filed
- the local FSA County Committee (COC) or its representative has conducted an onsite inspection of the damaged area
- the Agency responsible for technical assistance, such as the Natural Resource Conservation

Service (NRCS), has made a needs determination, which may include cubic yards of earthmoving, etc., required for rehabilitation

For more information about ECP, please contact your local county FSA office or visit www.fsa.usda.gov/nc.

2016 Acreage Reporting Dates

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

The following acreage reporting dates are applicable for Name County:

September 30, 2015: Aquaculture

November 15, 2015: Perennial grazing and forage, Clary sage

January 2, 2016: Honey

January 15, 2016 Apples, Barley, Blueberries, Grapes, Oats, Peaches, Wheat and all fall seeded small grains

May 15, 2016 Cabbage, Beans, Potatoes, Strawberries

July 15, 2016 Corn, Soybeans, Tobacco, Cotton, Peanuts, Grain Sorghum, CRP, and all other crops and land uses

September 15, 2016 Cabbage PP2, Beans PP2

The following exceptions apply to the above acreage reporting dates:

- If the crop has not been planted by the above 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 above 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 dates listed above 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 county FSA office.

Emergency Loans

Counties in North Carolina designated primary/contiguous disaster due to drought and heat using the streamlined Secretarial Disaster Designation process. Under this designation, producers with operations in any primary or contiguous county are eligible to apply for low interest emergency loans.

The streamlined disaster designation process issues a drought disaster declaration when a county has experienced a drought intensity value of at least a D2 (severe drought) level for eight

consecutive weeks based on the U.S. Drought Monitor during the crop year.

Emergency loans help producers recover from production and physical losses due to drought, flooding and other natural disasters or quarantine.

Producers have eight months from the date of the declaration to apply for emergency loan assistance. FSA will consider each loan application on its own merits, taking into account the extent of losses, security available and repayment ability. Producers can borrow up to 100 percent of actual production or physical losses, to a maximum amount of \$500,000.

For more information about emergency loans, please contact your local FSA office or visit www.fsa.usda.gov.

Breaking New Ground

Agricultural producers are reminded to consult with FSA and NRCS before breaking out new ground for production purposes as doing so without prior authorization may put a producer's federal farm program benefits in jeopardy. This is especially true for land that must meet Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions.

Producers with HEL determined soils are required to apply tillage, crop residue and rotational requirements as specified in their conservation plan.

Producers should notify FSA as a first point of contact prior to conducting land clearing 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 benefits.

Landowners and operators complete the form AD-1026 - Highly Erodible Land Conservation (HEL) and Wetland Conservation (WC) Certification to identify the proposed action and allow FSA to determine whether a referral to Natural Resources Conservation Service (NRCS) for further review is necessary

Tree Assistance Program (TAP) Signup

Orchardists and nursery tree growers who experience losses from natural disasters during calendar year 2015 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.

Unauthorized Disposition of Grain

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.

Selected Interest Rates for January 2016

- 90-Day Treasury Bill - .125%
 - Farm Operating Loans — Direct - 2.625%
 - Farm Ownership Loans — Direct - 3.875%
 - Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher - 1.50%
 - Emergency Loans - 3.625%
 - Farm Storage Facility Loans (7 years) - 2.00%
 - Sugar Storage Facility Loans - 2.50%
 - Commodity Loans 1996-Present - 1.625%
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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).