



# KENTUCKY NEWS



December 2014

## Kentucky FSA State Office

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### Hours

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## USDA Extends Application Deadline for Dairy Margin Protection Program to Dec. 19

*Dairy producers urged to act now to protect their businesses against unpredictable market swings, take advantage of increased protections offered in first year of program*

The application deadline for the dairy Margin Protection Program (MPP) will be extended until Dec. 19, 2014. The program, established by the 2014 Farm Bill, protects participating dairy producers when the margin – the difference between the price of milk and feed costs – falls below levels of protection selected by the applicant.

For just \$100, a farmer can cover 90 percent of production at \$4 margin swings, and with affordable incremental premiums, dairy farmers can cover up to \$8 margin swings. Those who apply this year will receive a slight increase in production protection that will not be available in the future. Farmers who do not sign up for the Margin Protection Program for 2015 will forfeit the 1 percent base production increase.

Producers can use the online Web resource at [www.fsa.usda.gov/mpptool](http://www.fsa.usda.gov/mpptool) to calculate the best levels of coverage for their dairy operation. They can type in specific operation data and explore price projections and market scenarios to determine what level of coverage is best for them. The online resource is on a secure website that can be accessed from computers, mobile phones or tablets, 24 hours a day, seven days a week.

Farmers also have a chance to share comments and help shape the Margin Protection Program for the future. Last month, the U.S. Department of Agriculture (USDA) announced the extension of the opportunity for public comments on both the Margin Protection Program and the Dairy Product Donation Program until Dec. 15, 2014. Comments can be submitted to USDA via the [regulations.gov](http://regulations.gov) website at <http://go.usa.gov/GJSA> or send them by mail to: Danielle Cooke, Special Programs Manager, Price Support Division, FSA, USDA, STOP 0512, 1400 Independence Ave. SW, Washington, D.C., 20250-0512.

To learn more about the Margin Protection Program for dairy, contact your local USDA Farm Service Agency county office at [offices.usda.gov](http://offices.usda.gov) or visit us on the Web at [www.fsa.usda.gov](http://www.fsa.usda.gov).

## USDA Disaster Assistance to Help Thousands of Honeybee, Livestock and Farm-Raised Fish Producers

*2014 Farm Bill Program Offers Producers in Over 40 States Relief for 2012 and 2013 Losses*

Nearly 2,500 applicants will receive disaster assistance through the Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) for losses suffered from Oct. 1, 2011, through Sept. 30, 2013.

The program, re-authorized by the 2014 Farm Bill, provides disaster relief to livestock, honeybee, and farm-raised fish producers not covered by other agricultural disaster assistance programs. Eligible losses may include excessive heat or winds, flooding, blizzards, hail, wildfires, lightning strikes, volcanic eruptions, and diseases, or in the case of honeybees, losses due to colony collapse disorder. Beekeepers, most of whom suffered honeybee colony losses, represent more than half of ELAP recipients.

The Farm Bill caps ELAP disaster funding at \$20 million per federal fiscal year. To accommodate the number of requests, which exceeded funds available for each of the affected years, payments will be reduced to ensure that all eligible applicants receive a prorated share of assistance.

The following ELAP Fact Sheets (by topic) are available online:

[ELAP for Farm-Raised Fish Fact Sheet](#)  
[ELAP for Livestock Fact Sheet](#)  
[ELAP for Honeybees Fact Sheet](#)

To view these and other FSA program fact sheets, visit the FSA fact sheet web page at [www.fsa.usda.gov/factsheets](http://www.fsa.usda.gov/factsheets).

For local FSA Service Center contact information, please visit: <http://offices.sc.egov.usda.gov/locator/app>.

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## 2015 Acreage Reporting Dates

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

The following acreage reporting dates are applicable for Kentucky:

**January 2** Honey (Same Crop Year)

**January 15** Peaches

**May 31** Nursery **Preceding Year (Report 2014 for 2015)**

**July 15** All Other Crops and CRP

**Sept. 30** Aquaculture; Value loss and controlled environment crops (except Nursery). Examples: Christmas Trees, Crustaceans, Finfish, Flowers, Ginseng, Grass Sod

**December 15** Fall Seeded Small Grains. Examples: Barley, Canola, Oats, Rye, Wheat

**Exception: If the crop has NAP coverage, the crop must be reported 15 calendar days before the onset of harvest.**

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## USDA Reminds Farmers of 2014 Farm Bill Conservation Compliance Changes

The 2014 Farm Bill implements a change that requires farmers to have a Highly Erodible Land Conservation and Wetland Conservation Certification (AD-1026) on file.

For farmers to be eligible for premium support on their federal crop insurance, a completed and signed AD-1026 certification form must be on file with the FSA. The Risk Management Agency (RMA), through the Federal Crop Insurance Corporation (FCIC), manages the federal crop insurance program that provides the modern farm safety net for American farmers and ranchers.

Since enactment of the 1985 Farm Bill, eligibility for most commodity, disaster, and conservation programs has been linked to compliance with the highly erodible land conservation and wetland conservation provisions. The 2014 Farm Bill continues the requirement that producers adhere to conservation compliance guidelines to be eligible for most programs administered by FSA and NRCS. This includes most financial assistance such as the new price and revenue protection programs, the Conservation Reserve Program, the Livestock Disaster Assistance programs and Marketing Assistance Loans and most programs implemented by FSA. It also includes the Environmental Quality Incentives Program, the Conservation Stewardship Program, and other conservation programs implemented by NRCS.

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Many FSA and Natural Resource Conservation (NRCS) programs already have implemented this requirement and therefore most producers should already have an AD-1026 form on file for their associated lands. If however an AD-1026 form has not been filed or is incomplete then farmers are reminded of the deadline of June 1, 2015.

When a farmer completes and submits the AD-1026 certification form, FSA and NRCS staff will review the associated farm records and outline any additional actions that may be required to meet the required compliance with the conservation compliance provisions.

FSA recently released a revised form AD-1026, which is available at USDA Service Centers and online at: [www.fsa.usda.gov](http://www.fsa.usda.gov). USDA will publish a rule later this year that will provide details outlining the connection of conservation compliance with crop insurance premium support. Producers can also contact their local USDA Service Center for information. A listing of service center locations is available at [www.nrcs.usda.gov/wps/portal/nrcs/main/national/contact/local/](http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/contact/local/).

### **New Farm Bill Offers Increased Opportunities for Producers**

The 2014 Farm Bill offers increased opportunities for producers including farm loan program modifications that create flexibility for new and existing farmers. A fact sheet outlining modifications to the U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) Farm Loan Programs is available [here](#).

The Farm Bill expands lending opportunities for thousands of farmers and ranchers to begin and continue operations, including greater flexibility in determining eligibility, raising loan limits, and emphasizing beginning and socially disadvantaged producers.

Changes that will take effect immediately include:

- Elimination of the 15 year term limit for guaranteed operating loans.
- Modification of the definition of beginning farmer, using the average farm size for the county as a qualifier instead of the median farm size.
- Modification of the Joint Financing Direct Farm Ownership Interest Rate to 2 percent less than regular Direct Farm Ownership rate, with a floor of 2.5 percent. Previously, the rate was established at 5 percent.

- Increase of the maximum loan amount for Direct Farm Ownership Down Payment Loan Program from \$225,000 to \$300,000.
- Elimination of rural residency requirement for Youth Loans, allowing urban youth to benefit.
- Debt forgiveness on Youth Loans, which will not prevent borrowers from obtaining additional loans from the federal government.
- Increase of the guaranteed percentage on Conservation Loans from 75 to 80 percent and 90 percent for socially disadvantaged borrowers and beginning farmers.
- Microloans will not count toward direct operating loan term limits for veterans and beginning farmers.

Additional modifications must be implemented through the rulemaking processes. Visit the [FSA Farm Bill website](#) for detailed information and updates to farm loan programs.

### **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 type loans and/or 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 members of 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 the group without regard to his or her individual qualities.

For purposes of this program, socially disadvantaged 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.

USDA is an equal opportunity provider and employer. 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).