

August 2014



NEWSLETTER



Oklahoma FSA Program Updates and Reminders

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Hours:

Monday - Friday
8:00 a.m. - 4:30 p.m.

State Committee Members:

Cletus Carter, Beaver
(Chairman)
Steve Nunley, Marlow
Brenda Neufeld, Fairview
Steve Butler, Wagoner
Jo Jennings, Depew

State Staff:

Phil Estes,
Farm Loan Programs

Tona Huggins,
Production & Payment
Eligibility

Rod Wanger,
Conservation Programs

Danny Lee,
Compliance & Price Support

Krey Reimer,
Administration

Shelly Bilderback,
Public Relations/Outreach

In order for us to better serve you – Schedule an Appointment with FSA

To insure maximum use of your time and to insure that you are afforded our full attention to your important business needs, **please call our office ahead of your visit to set up an appointment** and to discuss any records or documentation that you may need to have with you when you arrive for your appointment. FSA Office contact information can be located online at www.fsa.usda.gov/ok.

Fall/Winter Crops Must Be Insured by August 31

Producers have until **August 31, 2014** to sign-up for the 2015 Non-insured Assistance Program (NAP) coverage for fall and winter crops such as Alfalfa, Canola, all small grain grazing acreages, small grain inter-seeded in perennial grasses for grazing, cool season perennial or mixed grasses intended for grazing, Christmas trees, and value loss crops such as sod and nurseries. An option to increase coverage levels for 2015 non-grazing crops will be announced in the future.

Please note that NAP coverage will not be available for 2015 annually planted forage crops mechanically harvested for livestock feed such as small grains, forage sorghums, mixed forages, turnips, and other annually planted crops intended for forage, green chop, hay, and silage. The Risk Management Agency (RMA) now offers a catastrophic (CAT) level Rainfall Index-Annual Forage Insurance Plan to producers in Oklahoma, Texas, Kansas, Nebraska, South Dakota, and North Dakota. NAP coverage **WILL** be available for annually planted crops for livestock feed intended for **grazing** because RMA does not offer CAT level coverage.

NAP covers losses caused by damaging weather conditions. Producers receive a basic NAP payment when the loss is in excess of 50 percent. Losses are generally determined by the percentage of loss compared to the producer's Actual Production History (APH). Grazing losses are determined by comparison of actual harvested production from similar forage acreage or by two or more independent assessments from grazing experts if forage production is not available. Eligible production losses for basic NAP are paid at 55 percent of the established value for the crop.

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New for 2014 and 2015: The NAP fee for coverage may be waived for producers who certify they meet at least one of the following required criteria:

- **Limited Resource:** based on total direct or indirect sales and total household income. For legal entities requesting to be considered Limited Resource Farmer or Rancher, the sum of gross sales and household income must be considered for all members.
- **Socially Disadvantaged (SDA) farmer or rancher:** one who is a member of a group whose members have been subject to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. Groups include: American Indians or Alaskan Natives, Asians or Asian Americans, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, Hispanics, and women. For legal entities requesting to be considered Socially Disadvantaged, the majority interest must be held by socially disadvantaged individuals.
- **Beginning Farmer or Rancher:** A beginning farmer or rancher is an individual or entity for which both of the following are true: The farmer or rancher, entity or joint operation has not operated a farm or ranch for more than 10 years AND the farmer or rancher materially and substantially participates in the operation. For legal entities to be considered a Beginning Farmer or Rancher all members are related by blood or marriage; and all the members are beginning farmers or ranchers.

Note: farmers and ranchers who purchased and enrolled in NAP loss coverage for the 2014 crop year but now qualify as beginning, limited resource, or SDA farmers or ranchers are eligible for a service fee refund.

Producers who currently have NAP loss coverage or who are interested in coverage are encouraged to keep accurate harvested production records. Accurate production records are **required** to be submitted to FSA each year for mechanically harvested or hand-picked crops with NAP coverage. Keeping good records of production and reporting losses timely are the key to maintaining eligibility when losses occur. NAP covered crop losses must be reported within 15 calendar days of the earlier of the date of the actual disaster/ loss event or when the producer first noticed the loss.

Further, prevented planted claims must be submitted within 15 calendar days after the final planting date for the crop. NAP coverage is only available for crops not covered under the Federal Crop Insurance program.

Sign-up continues for FSA Livestock Disaster Assistance

Livestock producers are encouraged to schedule an appointment with their local FSA office in order to sign up for disaster assistance programs now underway. The programs cover losses that have occurred since the expiration of previous programs in 2011, including calendar years 2012, 2013, and 2014.

The Livestock Forage Disaster Program (LFP) will provide payments to eligible livestock producers for grazing losses due to drought or fire. The Livestock Indemnity Program (LIP) provides compensation to eligible livestock producers that have suffered livestock death losses in excess of normal mortality due to adverse weather.

The Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) provides emergency assistance to eligible producers of livestock, honeybees and farm-raised fish that have losses due to disease, adverse weather, or other conditions, such as wildfires. **Producers with ELAP losses from 2012 and 2013 program years must submit a notice of loss and application for payment to their local FSA office by August 15, 2014.** For 2014 program year losses, the notice of loss and an application for payment must be submitted by November 1, 2014.

Another disaster program currently available is the Tree Assistance Program (TAP) which provides financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes and vines damaged by natural disasters.

Enrollment Open for Cotton Transition Assistance Program

Farmers can enroll in the Cotton Transition Assistance Program (CTAP) beginning August 11, 2014 through October 7, 2014.

The program, created by the 2014 Farm Bill, provides interim payments to cotton producers during the 2014 crop year until the Stacked Income Protection Plan, a new insurance product also created by the legislation, is available. Details on the plan will be released by mid-August.

CTAP applications approved before Oct. 1 are subject to congressionally mandated automatic reductions of 7.2 percent for the 2014 crop year. Applications approved after Oct. 1 will be reduced the required 7.3 percent. The Budget Control Act of 2011 requires USDA to implement these reductions to program payments

USDA Notifies Producers on Acreage History and Yields

Operators and owners of farms with base acreage will soon be receiving a letter from USDA that provides updates on current base acres, yields, and 2009-2012 planting history. It is important to verify the accuracy of the data with your farm records. If the information is correct, no further action is required at this time; however, if the information included in your letter is incomplete or inaccurate, contact your local FSA office within 60 days after receiving the letter.

It is critical the data included in the letter is accurate in order for producers to have the best information available to make a decision whether to enroll in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) program. Later this summer, farmers and ranchers will have opportunity to update crop information or reallocate base acres and by mid-winter, all producers on the farm will be able to make the one-time, unanimous, and irrevocable election between ARC and PLC.

CRP Early Contract Termination Provisions Announced

The Secretary of Agriculture has announced an opportunity for Conservation Reserve Program (CRP) early contract termination, "early out", in fiscal year 2015, for certain contracts that have been in CRP for 5 years. The "early out" termination was part of The Agricultural Act of 2014. Contracts with a contract effective date of October 1, 2009, or earlier may be eligible. Generally, CRP contracts in native or improved grass or trees would potentially be eligible. Continuous CRP contract and those with an erodibility index of 16 would not be eligible for an "early out".

The effective date of the termination under the "early out" provisions cannot be earlier than October 1, 2014 or later than September 30, 2015. Approved "early out" contracts may begin early land preparation for those wanting to return the acreage to crop production upon approval of the "early out" agreement and early land preparation agreement. Land in contracts exercising "early out" provisions will not affect the ability of the owner or operator to submit a subsequent offer to enroll the land in CRP during a future CRP signup period.

Signup for the "early out" began August 6, 2014 and continues through January 30, 2015. Contact your local FSA office for information if you are interested in the CRP early contract termination provisions.

Opportunity to Comment – Draft Supplemental Programmatic Impact Statement for Conservation Reserve Program

A Draft Supplemental Programmatic Environmental Impact Statement (Draft SPEIS) has been completed to examine the potential environmental consequences associated with implementing changes to the Conservation Reserve Program specified in the Agriculture Act of 2014 and to assist with developing new regulations. FSA is requesting comments on the Draft SPEIS. Comments that are received by September 8, 2014 will be considered. The Draft SPEIS and the opportunity methods to comment are located at www.crpspeis.com along with other supplemental information.

Transition Incentive Payment Program

Producers with Conservation Reserve Program (CRP) contracts in their final year may elect to receive two additional years of payments if they sell or long lease (5-years) their CRP land to a beginning farmer, veteran beginning farmer or socially disadvantaged farmer (excluding family members) through the Transition Incentive Payment Program (TIP). The person buying or leasing the land may conduct any activity on the land according to a conservation plan while the original CRP contract participant receives an additional two years of payments at the regular annual payment time and current rental rate. Contact your local FSA office for further details.

Agricultural Producers Still Have Time to Apply for Direct Farm Ownership Loan Program

Farmers and ranchers still have time to apply for low interest 2014 loans available through FSA's direct farm ownership program.

Eligible producers can borrow up to \$300,000 in direct farm ownership loans to buy or enlarge a farm, construct new farm buildings or improve structures, pay closing costs, or promote soil and water conservation and protection.

FSA encourages all interested applicants to apply for direct farm ownership loans. To learn more, contact your local FSA office to set up an appointment with a loan official. Additionally, you can visit our [Farm Loan Website](#) for more information and to access applications.

August Farm Loan Interest Rates:

- Farm Operating Loans = 2.125%
 - Farm Ownership Loans = 3.750%
 - Farm Ownership Down Payment Loans = 1.5%
 - Micro Loans = 2.125%
 - Youth Loans = 2.125%
 - Emergency Loans = 3.125%
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Biomass Crop Assistance Program Matching Payment Applications

Abengoa has been approved by USDA to accept biomass deliveries supported by the Biomass Crop Assistance Program (BCAP), which was authorized by the 2014 Farm Bill. Agriculture residue, which would include wheat straw, corn or milo stover for example, harvested directly from the land according to a conservation plan may be eligible for a \$20 per ton BCAP matching payment.

Producers would need to have a contract or Letter of Intent (LOI) with Abengoa and provide this information to the local FSA office to apply for BCAP assistance by August 25, 2014. Once approved, eligible materials must be delivered by COB September 26, 2014, in order to receive payment. Deliveries made prior to BCAP approval are not eligible for assistance.

Abengoa is located in Hugoton, Kansas. Interested producers should contact Kirk Spikes at 620-544-9230 or by email at kirk.spikes@bioenergy.abengoa.com concerning the potential to contract biomass with Abengoa. Local FSA office personnel can assist with BCAP details.

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).