



NEWSLETTER



USDA Oklahoma FSA

February 2015

Francie Kucera Tolle State Executive Director

100 USDA, Suite 102
Stillwater, OK 74074

405-742-1130 phone
485-416-9557 fax
www.fsa.usda.gov/ok

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

FSA Boosting Oklahoma's Economy

The Oklahoma Farm Service Agency (FSA) provided over \$1 billion in assistance to the state's agricultural producers during fiscal year 2014, October 1, 2013 through September 30, 2014. These funds provide farmers and ranchers with assistance to recover from disasters, implement conservation practices and with commodity price support to insure the well-being of American agriculture.

Oklahoma FSA FY 2014 Program Information			
Direct Loan Program	\$165,376,000	Livestock Forage Disaster Program (LFP)	\$701,097,557
Guaranteed Loan Program	\$54,549,000	Livestock Indemnity Program (LIP)	\$253,308
Direct and Counter Cyclical Program (DCP)	\$88,060,413	Diary Indemnity Program (DIPP)	\$54,698
Average Crop Revenue Election (ACRE)	\$22,658,497	Milk Income Loss Contract Program (MILC)	\$48,561
Non-Insured Crop Disaster Assistance Program (NAP)	\$17,751,480	Conservation Reserve Program (CRP)	\$27,855,999
Supplemental Revenue Assistance (SURE)	\$1,203,501	Grassland Reserve Program (GRP)	\$723,936
Commodity Loans	\$2,482,760	Emergency Conservation Program (ECP)	\$709,838
Farm Storage Facility Loans	\$618,047	Biomass Crop Assistance Program (BCAP)	\$18,437

Coverage Selection for New 2014 Farm Bill Safety Net Programs

Farm owners and producers have the opportunity to choose between the new 2014 Farm Bill established programs, Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC), until March 31, 2015. The new programs, designed to help producers better manage risk, usher in one of the most significant reforms to U.S. farm programs in decades.

USDA helped create online tools to assist in the decision process, allowing farm owners and producers to enter information about their operation and see projections that show what ARC and/or PLC will mean for them under possible future scenarios. Farm owners and producers can access the online resources, available at www.fsa.usda.gov/arc-plc, from the convenience of their home computer or mobile device at any time.

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 rice), safflower seed, sesame, soybeans, sunflower seed and wheat.

The dates associated with ARC and PLC:
***Now - Feb. 27, 2015:** Land owners may visit their local Farm Service Agency office to update yield history and/or reallocate base acres.

***Now - March 31, 2015:** Producers make a one-time election of either ARC or PLC for the 2014 through 2018 crop years.

***Mid-April 2015 - summer 2015:** Producers sign contracts for 2014 and 2015 crop years.

Greater Protection Available for Hay, Fruit, Vegetable and Other Specialty Crop Growers

Greater protection is now available from the Noninsured Crop Disaster Assistance Program (NAP) for crops that traditionally have been ineligible for federal crop insurance. The new options, created by the 2014 Farm Bill, provide greater coverage for losses when natural disasters affect grass and small grain hay, alfalfa, and specialty crops such as vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, honey, and energy crops.

Previously, the program offered coverage at 55 percent of the average market price for crop losses that exceed 50 percent of expected production. Producers can now choose higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price.

The expanded protection will be especially helpful to beginning and traditionally underserved producers, as well as farmers with limited resources, who will receive fee waivers and premium reductions for expanded coverage. More crops are now eligible for the program, including expanded aquaculture production practices, and sweet and biomass sorghum.

A web tool is available at www.fsa.usda.gov/nap, to help producers determine whether their crops are eligible for coverage. It also gives them an opportunity to explore a variety of options and levels to determine the best protection level for their operation.

Acreage Reports

Producers must file accurate acreage reports to determine and maintain eligibility for various FSA programs. Acreage reports are considered timely filed when completed by the applicable final crop reporting deadlines.

CRP acreage must be reported to receive the CRP annual rental payments. Any crop acreage for which NAP benefits will be requested must be reported to establish eligibility of the crop and producer. Producers who request prevented planting acreage credit must report the acreage within 15 calendar days after the final planting date. If a producer wants to request failed acreage credit, the acreage must be reported as failed acreage before the disposition of the crop. The COC will determine eligibility for failed acreage credit. The owner, operator, person authorized by power-of-attorney or tenant may report crop acreage for which they have a share.

Late-filed provisions may be available to producers who are unable to meet the reporting deadline as required. Reports filed after the established deadline must meet certain requirements to be accepted and may be charged late fees. Producers should contact their county FSA office if they are uncertain about reporting deadlines.

Note: If the crop has NAP coverage, it must be reported 15 calendar days before the onset of harvest or grazing of the specific crop acreage being reported.

Filing for NAP Losses

The CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. Timely filing a Notice of Loss is required for all crops including grasses. For losses on crops covered by NAP and crop insurance, you must file a CCC-576, Notice of Loss, in the FSA County Office within 15 days of the occurrence of the disaster or when losses become apparent. If filing for prevented planting, an acreage report and CCC-576 must be filed within 15 calendar days of the final planting date for the crop.

Reconstitutions

For FSA program purposes, tracts having the same owner and the same operator are grouped under one farm serial number. When changes in ownership or operation take place, a farm reconstitution is necessary. The reconstitution is the process of combining or dividing farms or tracts of land based on the farming operation. Remember, to be effective for the current year, a reconstitution must be requested by August 1 for farms enrolled in specific programs.

Emergency Conservation Program (ECP)

Producers with farms damaged by natural disaster, such as tornado, flood, fire, drought, etc., will want to report their damage to farmland to the local FSA office. Financial assistance to assist with repair of the farmland damaged by the natural disaster may be available through the ECP where FSA will assist with up to 75 percent of the cost of repair or up to 90 percent repair cost for limited resource producers. Examples of eligible items for assistance are replacing or restoring fence, removal of debris from farmland, leveling of fields and repair of structures damaged by flood, and pipelines, wells, and tanks for drought affected water sources. Repair work should not begin until after the damage is reported to the FSA office if assistance will be requested.

Livestock Forage Disaster Program (LFP)

LFP compensates eligible livestock producers who suffer grazing losses for covered livestock due to drought conditions or fire on federally managed land. Eligible livestock producers may receive assistance for eligible livestock grazing losses that occur due to drought or fire on or during the calendar year in which the loss occurs. The qualifying drought condition must occur during the normal grazing period for the county. Contact your local FSA office for further details. Information concerning 2015 LFP county eligibility and sign-up dates will be disseminated through GovDelivery and other available media outlets.

Livestock Indemnity Program (LIP)

The Livestock Indemnity Program is available for livestock owners and contract growers (swine and poultry) to receive payment on livestock lost due to an adverse weather event, if the losses were in excess of the normal mortality rate. Adverse weather events include tornados, blizzards, floods, wildfire, disease (not treatable by management or vaccine), extreme heat, extreme cold, winter storms, hail, and lightning. A report of livestock loss must be reported to the local county FSA office within the earlier of 30 days of when the livestock loss was apparent or 30 calendar days after the end of the calendar year of which the loss occurred. The LIP application for payment, which includes the submission of all required documentation and signature of certification, must be received 30 calendar days after the end of the calendar year in which the loss occurred.

FSA Farm Loan Programs

FSA offers loans to farmers and ranchers to purchase farmland and finance agricultural operations. FSA loans are targeted for individuals or entities that are temporarily unable to obtain credit from a commercial lender at their regular rates and terms. FSA loan programs are also designed to target beginning farmers and socially disadvantaged farmers and ranchers.

Direct FSA Loans - loans that are made directly through FSA for agriculture purposes to those applicants who do not qualify for commercial financing. The applicant works directly with the local FSA office. Loan limitations on both Direct Farm Ownership loans and Direct Operating loans are a maximum of \$300,000. Additionally, FSA offers Micro Loans (\$50,000) and Youth Loans (\$5,000), which feature a simplified application process.

Guaranteed FSA Loans - loans that are made through a commercial lender, for agriculture purposes, in which FSA guarantees up to 95% of the funds, depending on qualifying criteria. The applicant works directly with the lender, who in turn works with FSA. Loan limitations on both Guaranteed Farm Ownership loans and Guaranteed Operating loans are a maximum of \$1,392,000.

Highly Erodible Land (HEL) and Wetland Conservation (WC) Compliance

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 Federal Crop Insurance Corporation (FCIC) premium subsidy.

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 AD-1026 must be filed for FCIC purposes by June 1 to be eligible for premium subsidy for the next reinsurance year. The AD-1026 filed by a producer remains a one-time continuous certification only to be updated when the producer has a change in an operation such as adding or removing land from their operation or potential production of an agriculture commodity on land not previously used to produce a crop.

Most producers should already have an AD-1026 on file for participation in programs administered through FSA or NRCS which require conservation compliance provisions be met for program benefits. Producers that have only participated in FCIC premium subsidy in the past are those most encouraged to visit the local FSA office to complete the AD-1026 by the June 1, 2015 deadline.

When a producer 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 conservation compliance provisions.

Transition Incentive Program (TIP)

The Transition Incentive Program provides up to two additional Conservation Reserve Program (CRP) annual rental payments to a retired or retiring owner or operator of land under an expiring CRP contract if the land is sold or leased for at least five years to a non-family member beginning (including veteran) or socially disadvantaged farmer or rancher for the purpose of returning some or all of the land to production using sustainable grazing or crop production methods. A TIP agreement must be signed in the local FSA office prior to land sale or lease completion.

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.

Continuous CRP adds Center Pivot Corner Provisions

Land eligibility modifications were recently made to the Continuous Conservation Reserve Program (CCRP) to allow center pivot irrigation corners to be enrolled in the "Habitat Buffers for Upland Birds" practice. The modification eliminated an earlier requirement that required a "connecting" strip to be enrolled when multiple pivot corners were offered for the program. The modification now allows each pivot corner of multiple pivot corners offered to be enrolled to stand on their own without the connecting strip.

The CCRP contract for Habitat Buffers for Upland Birds is a 10 year contract providing annual rental payments and financial assistance for vegetative habitat establishment. A \$150 per acre sign up incentive payment is received by the producer at contract approval. The acreage enrolled in the practice may not be grazed or hayed.

Other popular CCRP practices include waterways, filter strips, riparian buffers, saline seeps, wetlands or upland wetlands (playa lakes), shallow water areas for wildlife, windbreak/shelterbelts, and pollinator habitat. Most of these practices offers a signup incentive payment and additional incentive for practice installation.

Farm Storage Facility Loans (FSFL)

Farm Storage Facility Loans (FSFL) offer low-interest funds that can be used to build or upgrade permanent facilities to store commodities. Eligible commodities include grains, oilseeds, peanuts, pulse crops, hay, honey, renewable biomass commodities, fruits and vegetables. Qualified facilities include grain bins, hay barns and cold storage facilities for fruits and vegetables.

USDA recently expanded the program to include 22 new categories of eligible equipment for specialty crop fruit and vegetable producers. Producers with small and mid-sized operations now have access to needed capital for a variety of supplies including sorting bins, wash stations and other food safety-related equipment.

To be eligible for the loan you must be a producer of the commodity to be stored. Loan terms range from 7, 10, or 12 years depending on loan amounts. Maximum loan amount is \$500,000 per loan. Loan applications must be approved before construction begins. Interest rates depend on the loan term. Current interest rate for a 7 year loan is 1.875%.



Dates to Remember	
February 27	Deadline to update yield history and/or reallocate base acres.
March 15	NAP application closing date for summer and fall harvested crops as well as warm season grasses intended for summer grazing.
March 31	ARC/PLC Election Deadline
Mid-April through Summer 2015	ARC/PLC Enrollment for 2014 & 2015
May 1	NAP application closing date for ornamental nursery.
May 15	Acreage report deadline for spring oats, pecans and potatoes.
July 15	Acreage report deadline for spring seeded and all other crops.
August 31	NAP application closing date for alfalfa, aquaculture, canola, Christmas trees, turfgrass sod, cool season grasses intended for fall or next spring early grazing, & all small grain crops for grazing or hay.
November 15	Acreage report deadline for perennial forage (grass)
January 15	Acreage report deadline for fall seeded small grains, canola and peaches.

Producer CCC-1099-G Statements

If you received any payments over \$600 from FSA during 2014, you were provided with a CCC-1099-G for tax reporting purposes. Look at the ID number included on the form and contact your local FSA office immediately if the ID number shown on the form is not the correct number.

Do your FSA and Insurance Records Match?

Many FSA programs use your insurance information. Eligibility for program benefits is dependent on the records showing the correct producer. Look at your insurance and FSA records and make sure both reflect the correct producer.

Reasonable Accommodation Statement

Reasonable accommodations will be made upon request, for individuals with disabilities, vision impairment, or hearing impairment to attend or participate in meetings or events sponsored by the Farm Service Agency. If you require special accommodations to attend or participate in one of our events, please call the FSA county office and we will be happy to make any needed arrangements.

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. An office directory can be found at www.fsa.usda.gov/ok.

The United States Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance programs. To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Washington, DC 20250-9410, or call toll-free at 866-632-9992 (English) or 800-877-8339 (TDD) or 866-377-8642 (Federal-relay). USDA is an equal opportunity provider and employer.