June 2019

Farm Service Agency Electronic News Service

NEWSLETTER

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Indiana Farm Service Agency Program Updates

Indiana Farm Service Agency

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From the Desk of the State Executive Director

October 2018 thru June 2019 - a time span that Indiana farmers will remember forever. Indiana FSA is trying to do all we can to assist producers. I have requested each USDA County Emergency Board (CEB) to hold meetings to assess crop damages and physical loss in each county. The State Emergency Board (SEB) will meet, and compile data submitted by each CEB. Based on the CEB data, the SEB will submit findings and recommendations to the Secretary of Agriculture Sonny Perdue. We will then wait for guidance from the Secretary.

Stay tuned, we will have more information later.

Please call your local FSA office for an appointment to certify your spring planted crops by the July 15 deadline.

Steve

Full-Time Permanent Farm Loan Program Technician Position in Indianapolis, Indiana

The Indiana USDA Farm Service Agency (FSA) is seeking to fill a full-time permanent Farm Loan Program Technician in the Indiana State FSA Office in Indianapolis, Indiana. Primary duties consist of assisting the Farm Loan Chief, Farm Loan Branch Specialists, Farm Loan Team Managers and District Directors on farm loan program procedural matters; providing training to individuals and groups in the preparation and processing of loan documents and on loan procedural changes; and providing technical assistance to the Farm Loan Branch in processing bankruptcy and farm foreclosure cases.

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Benefits include health insurance, life insurance, leave and a retirement program. This announcement is open from June 20 to July 5, 2019. Apply by visiting this link https://www.usajobs.gov/GetJob/ViewDetails/537285800.

The Farm Service Agency (FSA) is an exciting and rewarding place to start, build and/or continue your career. Be part of our team and support the well-being of American agriculture and the American public. USDA is a great place to start or continue your career.

USDA is an equal opportunity provider.

Indiana FSA Extends Prevented Plant Crop Reporting Deadline for Non-insured, Non-NAP Producers to July 15

The U.S. Department of Agriculture's Farm Service Agency (FSA) is extending the prevented plant crop reporting deadline for Indiana producers affected by spring flooding and excessive moisture.

Producers without crop insurance or NAP coverage in Indiana now have until July 15, 2019, to report acres they intended to plant this spring but could not due to weather conditions. The new deadline coincides with the July 15, 2019, FSA crop acreage reporting deadline that is already in place.

Producers need to report prevented plant acres to retain eligibility for FSA program benefits. Normally, the prevented plant reporting deadline is 15 calendar days after the final planting date for a crop as established by FSA and the Risk Management Agency (RMA). The prevented plant reporting deadline extension to July 15 only applies to FSA and does not change any RMA crop insurance reporting deadline requirements.

However, the extension does not apply to crops covered by FSA's Noninsured Crop Disaster Assistance Program (NAP). Producers should check with their local FSA office regarding prevented plant provisions for NAP-covered crops.

Producers are encouraged to contact their local FSA office as soon as possible to make an appointment to report prevented plant acres and submit their spring crop acreage report. To locate your local FSA office, visit farmers.gov/service-locator.

For information regarding RMA crop insurance, contact your Approved Insurance Provider. To find your provider, visit rma.usda.gov/information-tools/agent-locator-page.

Producers are Encouraged to Report Prevented Planting and Failed Acres

Producers who wish to receive history credit for either prevented planting or failed acreage must file a Notice of Loss with the Farm Service Agency.

Prevented planting acreage must be reported on form *CCC-576, Notice of Loss*, no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA). Producers should be ready to provide documentation to support their planting intentions such as information about any field preparations, fertilizer applications, purchase of seed, etc.

The final planting date for corn in Indiana is June 5th and the final planting date for soybeans is June 20th (for both initial and double crop). The final planting date for Hybrid Seed Corn and Popcorn is May 31st. For inquiries about final planting dates for other crops, producers should contact their local FSA office.

As an alternative, FSA will accept the report of prevented planting acreage as timely if it was filed timely with crop insurance (supporting documentation must be provided). If the request for prevented planting history credit is not filed timely, any late-filed request will be assessed a measurement service fee per farm and any approvals will be subject to assessment of the disaster condition during a farm visit.

Additionally, producers with failed acres should file form *CCC-576, Notice of Loss*, to report acreage destroyed or damaged by disaster. This must be filed prior to destruction of the crop to provide FSA with an opportunity to inspect the acreage.

For losses on crops covered by the Noninsured Crop Disaster Assistance Program (NAP) and crop insurance, producers must file a *Notice of Loss* within 15 days of the occurrence of the disaster or when losses become apparent. Additionally, many crops covered by NAP require an initial notification of loss be made to the FSA administrative office within 72 hours of loss occurrence or loss becoming apparent. Producers must timely file a *Notice of Loss* for failed acres on all crops including grasses to ensure the opportunity to receive acreage reporting history credit for the crop as well as potential program benefits.

For questions regarding crop certification and crop loss reports, please contact your local county FSA office.

Final Planting Dates

All producers are encouraged to contact their local FSA office for more information on the final planting date for specific crops. The final planting dates vary by crop, planting period and county so please contact your local FSA office for a list of county-specific planting deadlines. The timely planting of a crop, by the final planting date, may prevent loss of program benefits.

New Dairy Margin Coverage Signup Underway

Signup began June 17 for the new Dairy Margin Coverage (DMC) program, the cornerstone program of the dairy safety net that helps dairy producers manage the volatility of milk and feed prices, operated by the U.S. Department of Agriculture's Farm Service Agency (FSA).

The 2018 Farm Bill allowed USDA to construct the new DMC, which replaces the Margin Protection Program for Dairy (MPP-Dairy). This new program offers protection to dairy producers when the difference between the all-milk price and the average feed cost (the margin) falls below a certain dollar amount selected by the producer.

The program provides coverage retroactive to January 1, 2019, with applicable payments following soon after enrollment. At the time of signup, dairy producers can choose between the $4.00 to $9.50 coverage levels. Learn more about coverage levels and premiums.

The Farm Bill also allows producers who participated in MPP-Dairy from 2014-2017 to receive a repayment or credit for part of the premiums paid into the program. FSA has been providing premium reimbursements to producers since last month and those that elect the 75 percent credit option will now have that credit applied toward 2019 DMC premiums.

The Department has built in a 50 percent blend of premium and supreme alfalfa hay prices with the alfalfa hay price used under the prior dairy program to provide a total feed cost that more closely aligns with hay rations used by many producers. At a milk margin minus feed cost of $9.50 or less, payments are possible. With the 50 percent hay blend, FSA's revised April 2019 income over feed cost margin is $8.82 per hundredweight (cwt). The revised margins for January, February and March are, respectively, $7.71, $7.91 and $8.66 – triggering DMC payments for each month.

DMC payments will be reduced by 6.2 percent in 2019 because of a sequester order required by Congress and issued in accordance with the Balanced Budget and Emergency Deficit Control Act of 1985.

DMC offers catastrophic coverage at no cost to the producer, other than an annual $100 administrative fee. Producers can opt for greater coverage levels for a premium in addition to the administrative fee. Operations owned by limited resource, beginning, socially disadvantaged or veteran farmers and ranchers may be eligible for a waiver on administrative fees. Producers have the choice to lock in coverage levels until 2023 and receive a 25-percent discount on their DMC premiums.

To assist producers in making coverage elections, USDA partnered with the University of Wisconsin to develop a DMC decision support tool, which can be used to evaluate various scenarios using different coverage levels through DMC.

All dairy operations in the United States are eligible for the DMC program. An operation can be run either by a single producer or multiple producers who commercially produce and market cows' milk.

Eligible dairy operations must have a production history determined by FSA. For most operations, production history is based on the highest milk production in 2011, 2012 and 2013. Newer dairy operations have other options for determining production history. Producers may contact their local FSA office to get their verified production history.

Dairy producers also are reminded that 2018 Farm Bill provisions allow for dairy operation to participate in both FSA's DMC program and the Risk Management Agency's Livestock Gross Margin (LGM-Dairy) program. There are also no restrictions from participating in DMC in conjunction with any other RMA insurance products.

For more information, visit farmers.gov DMC webpage or contact your local USDA service center. To locate your local FSA office, visit farmers.gov/service-locator. A webinar and slide presentation is available on the FSA Outreach page https://www.fsa.usda.gov/programs-and-services/outreach-and-education/webinars/index.

2019 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.

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 below or 15 calendar days before grazing or harvesting of the crop begins.

The following acreage reporting dates are applicable for Indiana:

January 2 - Honey
January 15 - Apples
June 15 - Cucumbers (Planted 5/1-5/31 in Knox County)
July 15 - Cucumbers (Planted 5/10-6/15 in all counties), all other crops
August 15 - Cucumbers (Planted 6/16-8/5 in Fulton, LaPorte, Porter, and St. Joseph Counties)
September 15 - Cucumbers (Planted 6/1-8/15 in Knox County)
September 30 - Value Loss and Controlled Environment Crop (for the coming program year)
December 15 - Fall Mint, Fall-Seeded Small Grains

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.
- Cucumbers and crops for NAP coverage may have dates not included on the chart above. Visit your local county office for details.

For questions regarding crop certification and crop loss reports, please contact your local county FSA office.

USDA Reopens Continuous CRP Signup

USDA's Farm Service Agency (FSA) began accepting applications on June 3, 2019, for certain practices under the continuous Conservation Reserve Program (CRP) signup and will offer extensions for expiring CRP contracts. The 2018 Farm Bill reauthorized CRP, one of the country's largest conservation programs.

FSA stopped accepting applications last fall for the continuous CRP signup when 2014 Farm Bill authority expired. Since passage of the 2018 Farm Bill last December, FSA Administrator Richard Fordyce said FSA has carefully analyzed the language and determined that a limited signup prioritizing water-quality practices furthers conservation goals and makes sense for producers as FSA works to fully implement the program.

Continuous CRP Signup

This year's signup will include such practices as grassed waterways, filter strips, riparian buffers, wetland restoration and others. View a full list of practices approved for this program.

Continuous signup enrollment contracts are 10 to 15 years in duration. Soil rental rates will be set at 90 percent of the existing rates. Incentive payments will not be offered for these contracts.

Conservation Reserve Enhancement Program Signup

FSA will also reopen signup for existing Conservation Reserve Enhancement Program (CREP) agreements. Fact sheets on current CREP agreements are available on this webpage.

Other CRP Signup Options

FSA will open a CRP general signup in December 2019 and a CRP Grasslands signup later.

CRP Contract Extensions

A one-year extension will be offered to existing CRP participants who have expiring CRP contracts of 14 years or less. Producers eligible for an extension will receive a letter describing their options.

Alternatively, producers with expiring contracts may have the option to enroll in the Transition Incentives Program, which provides two additional annual rental payments on the condition the land is sold or rented to a beginning farmer or rancher or a member of a socially disadvantaged group.

More Information

Producers interested in applying for continuous CRP practices, including those under existing CREP agreements, or who need an extension, should contact their USDA service center. To locate your local FSA office, visit www.farmers.gov. More information on CRP can be found at www.fsa.usda.gov/crp.

USDA Offers Producers Options to Re-enroll or Extend Expiring CRP Contracts

Farmers and ranchers with expiring Conservation Reserve Program (CRP) contracts may now re-enroll in certain CRP continuous signup practices or, if eligible, select a one-year contract extension. USDA's Farm Service Agency (FSA) is also accepting offers from landowners who want to enroll for the first time in one of the country's largest conservation programs. FSA's 52^{nd} signup for CRP runs from June 3 to August 23.

This year's CRP continuous signup includes practices such as grass waterways, filter strips, riparian buffers, wetland restoration and others. View a full list of practices approved for this signup. Continuous signup contracts last for 10 to 15 years. Soil rental rates are set at 90 percent of 2018 rates. Incentive payments are not offered for these practices.

Producers interested in applying for CRP continuous practices, including those under existing CREP agreements, or who want to extend their contract, should contact their USDA service center by August 23.

To locate your local FSA office, visit www.farmers.gov. More information on CRP can be found at www.fsa.usda.gov/crp.

Livestock Inventory Records

Producers are reminded to keep updated livestock inventory records. These records are necessary in the event of a natural disaster.

When disasters strike, the USDA Farm Service Agency (FSA) can assist producers who suffered excessive livestock death losses and grazing or feed losses due to eligible natural disasters.

To participate in livestock disaster assistance programs, producers will be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to their local FSA office within 30 calendar days of when the loss of livestock is apparent. For grazing or feed losses, producers must submit a notice of loss to their local FSA office within 30 calendar days of when the loss is apparent and should maintain documentation and receipts.

Producers should record all pertinent information regarding livestock inventory records including:

- Documentation of the number, kind, type, and weight range of livestock
- Beginning inventory supported by birth recordings or purchase receipts;

For more information on documentation requirements, contact your local FSA office.

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.

Nominations Open for the 2019 County Committee Elections

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) encourages all farmers and FSA program participants to take part in the County Committee election nomination process.

FSA's county committees are a critical component of the day-to-day operations of FSA and allow grassroots input and local administration of federal farm programs.

Committees are comprised of locally elected agricultural producers responsible for the fair and equitable administration of FSA farm programs in their counties. Committee members are accountable to the Secretary of Agriculture. If elected, members become part of a local decision making and farm program delivery process.

A county committee is composed of three to 11 elected members from local administrative areas (LAA). Each member serves a three-year term. One-third of the seats on these committees are open for election each year. Contact your local FSA office to find out if your LAA is up for an election.

County committees may have an appointed advisor to further represent the local interests of underserved farmers and ranchers. Underserved producers are beginning, women and other minority farmers and landowners and/or operators who have limited resources.

All nomination forms for the 2019 election must be postmarked or received in the local USDA service center by Aug. 1, 2019. For more information on FSA county committee elections and appointments, refer to the FSA fact sheet: *Eligibility to Vote and Hold Office as a COC Member* available online at: **fsa.usda.gov/elections.**

Higher Limits Now Available on USDA Farm Loans

Higher limits are now available for borrowers interested in USDA's farm loans, which help agricultural producers purchase farms or cover operating expenses. The 2018 Farm Bill increased the amount that producers can borrow through direct and guaranteed loans available through USDA's Farm Service Agency (FSA) and made changes to other loans, such as microloans and emergency loans.

Key changes include:

- The Direct Operating Loan limit increased from $300,000 to $400,000, and the Guaranteed Operating Loan limit increased from $ 1.429 million to $1.75 million. Operating loans help producers pay for normal operating expenses, including machinery and equipment, seed, livestock feed, and more.
- The Direct Farm Ownership Loan limit increased from $300,000 to $600,000, and the Guaranteed Farm Ownership Loan limit increased from $1.429 million to $1.75 million. Farm ownership loans help producers become owner-operators of family farms as well as improve and expand current operations.
- Producers can now receive both a $50,000 Farm Ownership Microloan and a $50,000 Operating Microloan. Previously, microloans were limited to a combined $50,000. Microloans provide flexible access to credit for small, beginning, niche, and non-traditional farm operations.
- Producers who previously received debt forgiveness as part of an approved FSA restructuring plan are now eligible to apply for emergency loans. Previously, these producers were ineligible.
- Beginning and socially disadvantaged producers can now receive up to a 95 percent guarantee against the loss of principal and interest on a loan, up from 90 percent.

About Farm Loans

Direct farm loans, which include microloans and emergency loans, are financed and serviced by FSA, while guaranteed farm loans are financed and serviced by commercial lenders. For guaranteed loans, FSA provides a guarantee against possible financial loss of principal and interest.

For more information on FSA farm loans, visit www.fsa.usda.gov or contact your local USDA service center.

Preauthorized Debit Available for Farm Loan Borrowers

USDA Farm Service Agency (FSA) has implemented pre-authorized debit (PAD) for Farm Loan Program (FLP) borrowers. PAD is a voluntary and alternative method for making weekly, bi-weekly, monthly, quarterly, semi-annual or annual payments on loans.

PAD payments are pre authorized transactions that allow the National Financial and Accounting Operations Center (NFAOC) to electronically collect loan payments from a customer's account at a financial institution.

PAD may be useful for borrowers who use nonfarm income from regular wages or salary to make payments on loans or adjustment offers or for payments from seasonal produce stands. PAD can only be established for future payments.

To request PAD, customers, along with their financial institution, must fill out form RD 3550-28. This form has no expiration date, but a separate form RD 3550-28 must be completed for each loan to which payments are to be applied. A fillable form can be accessed on the USDA Rural Development (RD) website at http://www.rd.usda.gov/publications/regulations-guidelines. Click forms and search for "Form 3550-28."

If you have a "filter" on the account at your financial institution, you will need to provide the financial institution with the following information: Origination ID: 1220040804, Agency Name: USDA RD DCFO.

PAD is offered by FSA at no cost. Check with your financial institution to discuss any potential cost. Preauthorized debit has no expiration date, but you can cancel at any time by submitting a written request to your local FSA office. If a preauthorized debit agreement receives three payment rejections within a three month period, the preauthorized debt agreement will be cancelled by FSA. The payment amount and due date of your loan is not affected by a cancellation of preauthorized debit. You are responsible to ensure your full payment is made by the due date.

For more information about PAD, contact your local FSA office. To find a local FSA office, visit http://offices.usda.gov

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Actively Engaged Provisions for Non-Family Joint Operations or Entities

Many Farm Service Agency programs require all program participants, either individuals or legal entities, to be "actively engaged in farming." This means participants provide a significant contribution to the farming operation, whether it is capital, land, equipment, active personal labor and/or management. For entities, each partner, stockholder or member with an ownership interest, must contribute active personal labor and/or management to the operation on a regular basis.

Joint operations comprised of non-family members or partners, stockholders or persons with an ownership in the farming operation must meet additional payment eligibility provisions. Joint operations comprised of family members are exempt from these additional requirements. For 2016 and subsequent crop years, non-family joint operations can have one member that may use a significant contribution of active personal management exclusively to meet the requirements to be determined “actively engaged in farming.” The person or member will be defined as the farm manager for the purposes of administering these management provisions.

Non-family joint operations may request to add up to two additional managers for their farming operation based on the size and/or complexity of the operation. If additional farm managers are requested and approved, all members who contribute management are required to complete form CCC-902MR, Management Activity Record. The farm manager should use the form to record management activities including capital, labor and agronomics, which includes crop selection, planting decisions, acquisition of inputs, crop management and marketing decisions. One form should be used for each month and the farm manager should enter the number of hours of time spent for each activity under the date of the month the actions were completed. The farm manager must also document if each management activity was completed on the farm or remotely.

The records and supporting business documentation must be maintained and timely made available for review by the appropriate FSA reviewing authority, if requested.

If the farm manager fails to meet these requirements, their contribution of active personal management to the farming operation for payment eligibility purposes will be disregarded and their payment eligibility status will be re-determined for the applicable program year.

In some instances, additional persons or members of a non-family member joint operation who meet the definition of farm manager may also be allowed to use such a contribution of active personal management to meet the eligibility requirements. However, under no circumstances may the number of farm managers in a non-family joint operation exceed a total of three in any given crop and program year.

USDA Fruit, Vegetable and Wild Rice Planting Rules Unchanged from Previous Farm Bill

Farm Service Agency (FSA) has announced fruit, vegetable and wild rice provisions that affect producers who intend to participate in certain programs authorized by the Agricultural Act of 2014 as amended by the Agricultural Improvement Act of 2018.

Producers who intend to participate in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs are subject to an acre-for-acre payment reduction when fruits and nuts, vegetables or wild rice are planted on the payment acres of a farm. Payment reductions do not apply to mung beans, dry peas, lentils or chickpeas. Planting fruits, vegetables or wild rice on acres that are not considered payment acres will not result in a payment reduction. Farms that are eligible to participate in ARC/PLC but are not enrolled for a particular year may plant unlimited fruits, vegetables and wild rice for that year but will not receive ARC/PLC payments for that year. Eligibility for succeeding years is not affected.

Planting and harvesting fruits, vegetables and wild rice on ARC/PLC acreage is subject to the acre-for-acre payment reduction when those crops are planted on more than 15 percent of the base acres of a farm enrolled in ARC using the county coverage or PLC, or more than 35 percent of the base acres of a farm enrolled in ARC using the individual coverage.

Fruits, vegetables and wild rice that are planted in a double-cropping practice will not cause a payment reduction if the farm is in a double-cropping region as designated by the USDA’s Commodity Credit Corporation.

Every Season is #scamseason

Remember to discuss your USDA Farm Service Agency (FSA) account information only with people you recognize and trust. If you have questions about your FSA accounts, contact your local FSA office.

Dates to Remember

Continuing through August 1: Nominations open for the 2019 County Committee (COC) Election
Continuing through August 23: Conservation Reserve Program (CRP) Signup for re-enrolled land, new land (not currently in CRP) and extend expiring CRP for certain practices
Continuing through September 20: Dairy Margin Coverage Program (DMC) signup
July 4: Offices closed in observance of Independence Day
July 5: Final date to submit a prevented planting claim for soybeans
July 15: Reporting date for all other crops (including cucumbers planted 5/10-6/15) in all other counties in Indiana
August 1: Deadline to file COC election nomination forms - postmarked or delivered to the local FSA office
August 1: Deadline to request farm reconstitutions and transfers for 2019
August 15: Reporting date for cucumbers (planted 6/16-8/5 in Fulton, LaPorte, Porter and St. Joseph Counties)
August 23: Deadline for producers to submit signed offers for re-enrolled land, new land (not currently in CRP) and extend expiring CRP for certain practices
September 1: NAP application closing date for value loss crops for the following year (flowers for fresh cut, onion sets, turfgrass sod, Christmas trees, aquaculture, ginseng, mushrooms, etc.)
September 2: Offices closed in observance of Labor Day
September 15: Reporting date for cucumbers (planted 6/1-8/15 in Knox County)
September 20: Deadline to apply for the Dairy Margin Coverage Program
September 30: Reporting date for value loss and controlled environment crop (for the coming program year)
September 30: NAP application closing date for garlic, wheat, barley, rye and mint for the following year's crop

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