

April 2017



Farm Service Agency



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## NEWSLETTER

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## North Carolina FSA Newsletter

Spring has finally sprung in our great state of North Carolina. Tractors are rolling in the fields, preparing land. Farmers are planting various crops, and the weather has brought sunny days and major thunderstorms across the state. These are exciting times for farmers and ranchers to finally be out and about.

With that being said, all farmers and ranchers have the opportunity to strongly represent agriculture in their communities and industry by taking part in the 2017 Census of Agriculture. The census is conducted every five years by the U.S. Department of Agriculture's (USDA) National Agricultural Statistics Service (NASS). The census will be mailed at the end of 2017, and is a complete count of all U.S. farms, ranches, and those who operate them. As a participant in the census, remember, this is your voice, your future and clearly an opportunity to shape American agriculture, policies, services, and assistance programs, for years to come. Should you need more information about the 2017 Census of Agriculture, or wish to see how census data is used, visit [www.agcensus.usda.gov](http://www.agcensus.usda.gov) or call (800) 727-9540.

On another note, Earth Day is April 22nd. Take time to thank our farmers and ranchers for caring for the land, and ensuring the air we breathe, and the water we drink, is safe and clean. Farmers and ranchers are stewards of the earth and understand the fragility of the land. For more information about Earth Day and activities you wish to participate in, visit [www.earthday.org](http://www.earthday.org).

Be sure to read the articles below. There's information on acreage reporting, final planting dates, livestock losses and much more. Also, I am pleased to announce new State personnel. Should you have any questions, please notify your local FSA Office.

Finally, if you are interested in receiving text messages about upcoming deadlines, program updates and outreach events, contact your local FSA Office to learn more.

Until the next newsletter,  
Lorraine A. Dillard  
Acting State Executive Director

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## North Carolina Farm Service Agency

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**Acting State Executive Director:**  
Lorraine Dillard

**State Committee:**

Pender Sharp, Chairman  
John E. Ashe, Jr., Member  
Thomas O. Gilmore, Sr., Member  
Nancy Fish, Member  
Doane J. Cottle, Member

**Division Chiefs:**

**Administrative Officer:**  
Mike Eaves

**Chief Farm Loan Programs:**  
Paula Nicholls

**Chief Farm Programs:**  
Rob Satterfield

**Chief Operations and Programs:**  
Ralph Price

**Public Affairs & Outreach Specialist:**  
Nimasheena Burns

**State Committee Meeting:**  
Monthly Second Tuesday

**Dates to Remember:**  
May 29, 2017 - Memorial Day

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

## Supervised Credit

Farm Service Agency (FSA) Farm Loan programs are considered supervised credit. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Therefore, it is our goal to help you graduate to commercial credit, and our farm loan staff is available to help borrowers through training and credit counseling.

The FSA team will help borrowers identify their goals to ensure financial success. Through this process, FSA staff will advise borrowers in developing strategies and a plan to meet your operation's goals and graduate to commercial credit. Ultimately, the borrower is responsible for the success of the farming operation, but FSA's staff will help in an advisory role to provide the tools necessary to help you achieve your operational goals and manage your finances.

For more information on FSA farm loan programs, visit [www.fsa.usda.gov](http://www.fsa.usda.gov).

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## 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 (HELC) 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.

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## 2017 Acreage Reporting Dates

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

May 15, 2017: Cabbage, Beans, Potatoes, Strawberries

July 15, 2017: Corn, Soybeans, Tobacco, Cotton, Peanuts, Grain Sorghum, CRP, and all other crops and land uses

September 15, 2017: Cabbage PP2, Beans PP2

NAP crops must be reported the earlier of the date listed above or 15 days before harvest begins. Acreage reporting dates vary by crop and by county so please contact your local FSA office for a list of county-specific deadlines.

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## Annual Review of Payment Eligibility for New Crop Year

All participants of FSA programs who request program benefits are required to submit a completed CCC-902 (Farming Operation Plan) and CCC-941 Average Gross Income (AGI) Certification and Consent to Disclosure of Tax Information to be considered for payment eligibility and payment limitation applicable for the program benefits.

Participants are not required to annually submit new CCC-902s for payment eligibility and payment limitation purposes unless a change in the farming operation occurs that may affect the determination of record. A valid CCC-902 filed by the participant is considered to be a continuous certification used for all payment eligibility and payment limitation determinations applicable for the program benefits requested.

Participants are responsible for ensuring that all CCC-902 and CCC-941 and related forms on file in the county Office are correct at all times. Participants are required to timely notify the county office of any changes in the farming operation that may affect the determination of record by filing a new or updated CCC-902 as applicable.

Changes that may require a NEW determination include, but are not limited to, a change of:

- Shares of a contract, which may reflect:
  - A land lease from cash rent to share rent
  - A land lease from share rent to cash rent (subject to the cash rent tenant rule)
  - A modification of a variable/fixed bushel-rent arrangement
- The size of the producer's farming operation by the addition or reduction of cropland that may affect the application of a cropland factor
- The structure of the farming operation, including any change to a member's share
- The contribution of farm inputs of capital, land, equipment, active personal labor, and/or active personal management
- Farming interests not previously disclosed on CCC-902 including the farming interests of a spouse or minor child
- Financial status that may affect the 3-year average for the determination of average AGI or other changes that affects eligibility under the average adjusted gross income limitations.

Participants are encouraged to file or review these forms within the deadlines established for each applicable program for which program benefits are being requested.

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## Maintaining Good Credit History

Farm Service Agency (FSA) Farm Loan programs require that applicants have a satisfactory credit history. A credit report is requested for all FSA direct farm loan applicants. These reports are reviewed to verify outstanding debts, if bills are paid timely and to determine the impact on cash flow.

Information found on a customer's credit report is strictly confidential and is used only as an aid in conducting FSA business.

Our farm loan staff will discuss options with you if you have an unfavorable credit report and will

provide a copy of your report. If you dispute the accuracy of the information on the credit report, it is up to you to contact the issuing credit report company to resolve any errors or inaccuracies.

There are multiple ways to remedy an unfavorable credit score.

- Make sure to pay bills on time. Setting up automatic payments or automated reminders can be an effective way to remember payment due dates.
- Pay down existing debt.
- Keep your credit card balances low.
- Avoid suddenly opening or closing existing credit accounts.

FSA's farm loan staff will guide you through the process, which may require you to reapply for a loan after improving or correcting your credit report.

For more information on FSA farm loan programs, visit [www.fsa.usda.gov](http://www.fsa.usda.gov).

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## 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.

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## Report Livestock Losses

The Livestock Indemnity Program (LIP) provides assistance to eligible producers for livestock death losses in excess of normal mortality due to adverse weather and attacks by animals reintroduced into the wild by the federal government or protected by federal law. LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to hurricanes, floods, blizzards, wildfires, extreme heat or extreme cold.

For 2017, eligible losses must occur on or after Jan. 1, 2017, and no later than 60 calendar days from the ending date of the applicable adverse weather event or attack. A notice of loss must be filed with FSA within 30 days of when the loss of livestock is apparent. Participants must provide the following supporting documentation to their local FSA office no later than 90 calendar days after the end of the calendar year in which the eligible loss condition occurred.

- Proof of death documentation
- Copy of growers contracts
- Proof of normal mortality documentation

USDA has established normal mortality rates for each type and weight range of eligible livestock, i.e. Adult Beef Cow = 1.5% and Non-Adult Beef Cattle (less than 400 pounds) = 3%. These established percentages reflect losses that are considered expected or typical under "normal" conditions. Producers who suffer livestock losses in 2017 must file both of the following:

- A notice of loss the earlier of 30 calendar days of when the loss was apparent
- An application for payment by March 31, 2018.

Additional Information about LIP is available at your local FSA office or online at: [www.fsa.usda.gov](http://www.fsa.usda.gov).

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## Reporting Organic Crops

Producers who want to use the Noninsured Crop Disaster Assistance Program (NAP) organic price and selected the "organic" option on their NAP application must report their crops as organic.

When certifying organic acres, the buffer zone acreage must be included in the organic acreage.

Producers must also provide a current organic plan, organic certificate or documentation from a

certifying agent indicating an organic plan is in effect. Documentation must include:

- name of certified individuals
- address
- telephone number
- effective date of certification
- certificate number
- list of commodities certified
- name and address of certifying agent
- a map showing the specific location of each field of certified organic, including the buffer zone acreage

Certification exemptions are available for producers whose annual gross agricultural income from organic sales totals \$5,000 or less. Although exempt growers are not required to provide a written certificate, they are still required to provide a map showing the specific location of each field of certified organic, transitional and buffer zone acreage.

For questions about reporting organic crops, contact your local FSA office. To find your local office, visit <http://offices.usda.gov>.

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## Welcome New State Personnel

Announcing Paula Nicholls as the New Farm Loan Chief for the NC Farm Service Agency. Paula Nicholls was born and raised on Long Island in a rural community far from NYC. She graduated from the University of Florida with a degree in Agricultural Economics and an MBA from East Carolina University. Her career began at USDA in 1984 as an Ag Statistician in Raleigh, NC with the National Ag Statistics Service (NASS). After a relatively short time in the capitol, Paula relocated to eastern NC after marrying Kim Nicholls of Washington, NC. Together, they raised their 4 children, all NC State grads, and after 30 years in the field office with FSA as both a Farm Loan Officer and Farm Loan Manager, Paula has returned to Raleigh, still with USDA as the Chief of Farm Loan Programs located in the State Office of FSA.

Announcing Beverly Clark as the New District Director for the NC Farm Service Agency. Beverly Clark is a native of Dunn, NC a small town in Harnett County. She served in the US National Guard where she was deployed to Bamberg, Germany to support the Operation Joint Endeavor. Upon arriving back to the great state of North Carolina, she attended North Carolina A&T State University where she received a degree Business Management and Masters in Agriculture Economics (Marketing and International Trade). After grad school she worked as a research associate with NC A&T University. Her work there consisted of assisting farmers and principle scientists in conducting market studies; developing outreach programs that focused on recruiting and providing technical assistance and training small farmers and rural businesses. She later started her career with USDA working as a Statistician with NASS in Annapolis, Maryland. She returned to NC with FSA to become a Farm Loan Officer and was later promoted to a Farm Loan Manager. Beverly currently serves as District Director over district 3. Beverly enjoys sports, spending time with family, walking the greenways, and traveling. She really lives by the motto: you only live once!! She has participated in the Strike Force Initiatives and is currently the NC NACS President.

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## Selected Interest Rates for April 2017

90-Day Treasury Bill - .500%

Farm Operating Loans — Direct - 2.875%

Farm Ownership Loans — Direct - 4.000%

Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher

Emergency Loans - 1.5000%

Farm Storage Facility Loans (7 years) - 2.250%

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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).