#### August 2019





## Farm Service Agency Electronic News Service

## NEWSLETTER

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## Alaska State FSA Newsletter

## Alaska State Farm Service Agency

800 W Evergreen, Ste 216 Palmer, AK 99645 www.fsa.usda.gov/ak

#### **State Executive Director**

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### **Alaska State FSA Director News**

At the Alaska Farm Service Agency, our staff continues to take courses and training, also called continuing education, that prepares us to better serve you. Most professions have continuing education to keep the management and employees up to date, certifications current and licenses active.

This year, our FSA staff have been or will yet attend training in Farm Loans, Farm Loan Officer Training, Non-Insured Assistance Program (NAP), Farm Records Management, Agriculture Risk Coverage, Price Loss Coverage, Dairy and Livestock Disaster Program, Stress Management, Conservation programs and General Management training. Much of our training this year is geared to implementing the 2018 Farm Bill. Upon returning from these sessions, the employee is then charged with teaching and training the remaining staff that did not attend. These national trainings are all designed to make us better at our craft so we can help you and your business utilize our programs to be more successful.

#### Northern County Office PO Box 585 Delta Junction, AK 99737

County Executive Director/Farm Loan Manager Lloyd Wilhelm 907-895-4242 ext 150 Fax: 855-711-9095

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#### **Southern County Office** 800 W Evergreen, Ste 216 Palmer, AK 99645

County Executive Director/Farm Loan Manager Erin Sturdivant 907-761-7754 Fax: 907-761-7789

Email:

erin.sturdivant@usda.gov

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

Committee Meetings: Northern Co TBA Southern Co Sept 10,10:00 am

Please contact your local FSA Office for questions specific to your operation or county Many farmers are professionals in their field and use continuing education to keep current in many areas of their operation. It was not so in the early days of our country. Presidents Thomas Jefferson and John Adams went on garden tours while serving as US ambassadors to France and England. During the Constitutional Convention, the delegates were all invited on a tour of Bartram's garden in Philadelphia to see the many seeds, plants, bushes and trees that were cultivated and offered for sale.

I recently attended a farm tour that was very informative of farmers doing different and some of the same things, but with a little different twist. Tours are a way to gain new contacts, get new ideas and adjust our methods. Training opportunities are everywhere, offered by professional organizations, extension service, field days, even online classes and are designed to make farmers more knowledgeable and prepared to make better decisions. May you be able to include some continuing education into your next trip outside of Alaska.

# **USDA** Reminds Farmers and Ranchers of Sept. 6 Program Deadline to Offset Transportation Costs in Alaska

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) announced that farmers and ranchers residing outside the contiguous continental United States may enroll in the Reimbursement Transportation Cost Payment Program (RTCP) for fiscal year 2019 beginning on July 15, 2019. The sign up will run through Sept. 6, 2019.

The Consolidated Appropriation Act of 2019 reauthorized RTCP, which offsets a portion of the costs of transporting agricultural products over long distances. The program allows farmers and ranchers in Alaska, Hawaii and insular areas including the Commonwealth of Puerto Rico, Guam, American Samoa, Commonwealth of Northern Mariana Islands, Virgin Islands of the United States, Federated States of Micronesia, Republic of the Marshall Islands and Republic of Palau, to recover any transportation costs.

RTCP helps U.S. farmers and ranchers outside the 48 contiguous states who are at a competitive disadvantage when transporting agriculture products to market. RTCP payments are calculated based on the costs incurred for transportation of the agricultural commodity or inputs during a fiscal year, subject to an \$8,000 per producer cap per fiscal year. In the event that claims for payments exceed the funds available from the program for a fiscal year, payments will be reduced on a pro-rata basis.

For more information on RTCP, farmers and ranchers in the eligible areas can visit their administrative FSA county office or www.fsa.usda.gov/pricesupport. To find your local FSA county office, visit http://offices.usda.gov.

### **USDA Opens Signup for Market Facilitation Program**

Enrollment Now Open through Dec. 6

Signup opens today for the Market Facilitation Program (MFP), a U.S. Department of Agriculture (USDA) program to assist farmers who continue to suffer from damages because of unjustified trade retaliation from foreign nations. Through MFP, USDA will provide up to \$14.5 billion in direct payments to impacted producers, part of a broader trade relief package announced in late July. The sign-up period runs through Dec. 6.

MFP payments will be made to producers of certain non-specialty and specialty crops as well as dairy and hog producers.

#### **Non-Specialty Crops**

MFP payments will be made to producers of alfalfa hay, barley, canola, corn, crambe, dried beans, dry peas, extralong staple cotton, flaxseed, lentils, long grain and medium grain rice, millet, mustard seed, oats, peanuts, rapeseed, rye, safflower, sesame seed, small and large chickpeas, sorghum, soybeans, sunflower seed, temperate japonica rice, triticale, upland cotton, and wheat.

MFP assistance for 2019 crops is based on a single county payment rate multiplied by a farm's total plantings to the MFP-eligible crops in aggregate in 2019. Those per acre payments are not dependent on which of those crops are planted in 2019. A producer's total payment-eligible plantings cannot exceed total 2018 plantings. View payment rates by county.

#### **Dairy and Hogs**

Dairy producers who were in business as of June 1, 2019, will receive a per hundredweight payment on production history, and hog producers will receive a payment based on the number of live hogs owned on a day selected by the producer between April 1 and May 15, 2019.

#### **Specialty Crops**

MFP payments will also be made to producers of almonds, cranberries, cultivated ginseng, fresh grapes, fresh sweet cherries, hazelnuts, macadamia nuts, pecans, pistachios, and walnuts. Each specialty crop will receive a payment based on 2019 acres of fruit or nut bearing plants, or in the case of ginseng, based on harvested acres in 2019.

#### More Information

Payments will be made in up to three tranches, with the second and third tranches evaluated as market conditions and trade opportunities dictate. If conditions warrant, the second and third tranches will be made in November and early January.

MFP payments are limited to a combined \$250,000 for non-specialty crops per person or legal entity. MFP payments are also limited to a combined \$250,000 for dairy and hog producers and a combined \$250,000 for specialty crop producers. However, no applicant can receive more than \$500,000. Eligible applicants must also have an average adjusted gross income (AGI) for tax years 2015, 2016, and 2017 of less than \$900,000, or 75 percent of the person's or legal entity's average AGI for those tax years must have been derived from farming and ranching. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.

More information can be found on farmers.gov/mfp, including payment information and a program application.

## **New Farmers.gov Feature Helps Producers Find Farm Loans that Fit Their Operation**

A new online tool can help farmers and ranchers find information on U.S. Department of Agriculture (USDA) farm loans that may best fit their operations. USDA has launched the new *Farm Loan Discovery Tool* as the newest feature on farmers.gov, the Department's self-service website for farmers.

USDA's Farm Service Agency (FSA) offers a variety of loan options to help farmers finance their operations. From buying land to financing the purchase of equipment, FSA loans can help. Compared to this time last year, FSA has seen an 18 percent increase in the amount it has obligated for direct farm ownership loans, and through the 2018 Farm Bill, has increased the limits for several loan products.

USDA conducted field research in eight states, gathering input from farmers and FSA farm loan staff to better understand their needs and challenges.

#### **How the Tool Works**

Farmers who are looking for financing options to operate a farm or buy land can answer a few simple questions about what they are looking to fund and how much money they need to borrow. After submitting their answers, farmers will be provided information on farm loans that best fit their specific needs. The loan application and additional resources also will be provided.

Farmers can download application quick guides that outline what to expect from preparing an application to receiving a loan decision. There are four guides that cover loans to individuals, entities, and youth, as well as information on microloans. The guides include general eligibility requirements and a list of required forms and documentation for each type of loan. These guides can help farmers prepare before their first USDA service center visit with a loan officer.

Farmers can access the Farm Loan Discovery Tool by visiting farmers.gov/fund and clicking the "Start" button. Follow the prompts and answer five simple questions to receive loan information that is applicable to your agricultural operation. The tool is built to run on any modern browser like Chrome, Edge, Firefox, or the Safari browser, and is fully functional on mobile devices. It does not work in Internet Explorer.

#### **About Farmers.gov**

In 2018, USDA unveiled farmers.gov, a dynamic, mobile-friendly public website combined with an authenticated portal where farmers will be able to apply for programs, process transactions, and manage accounts.

The Farm Loan Discovery Tool is one of many resources on farmers.gov to help connect farmers to information that can help their operations. Earlier this year, USDA launched the *My Financial Information* feature, which enables farmers to view their loan information, history, payments, and alerts by logging into the website.

USDA is building farmers.gov for farmers, by farmers. In addition to the interactive farm loan features, the site also offers a Disaster Assistance Discovery Tool. Farmers can visit <a href="farmers.gov/recover/disaster-assistance-tool#step-1">farmers.gov/recover/disaster-assistance-tool#step-1</a> to find disaster assistance programs that can help their operation recover from natural disasters.

With feedback from customers and field employees who serve those customers, farmers.gov delivers farmer-focused features through an agile, iterative process to deliver the greatest immediate value to America's agricultural producers – helping farmers and ranchers do right, and feed everyone.

For more information or to locate your USDA Service Center, visit farmers.gov.

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

Farmers and ranchers with expiring <u>Conservation Reserve Program</u> (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<sup>nd</sup> 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. <u>View a full list of practices approved for this signup</u>. 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 <u>www.farmers.gov</u>. More information on CRP can be found at www.fsa.usda.gov/crp.

### Ketchikan Gateway Borough is Eligible for Emergency Loans

Ketchikan Gateway Borough was declared a primary disaster due to drought and heat using the streamlined Secretarial Disaster Designation process. Under this designation, producers with operations in any primary or contiguous county are eligible to apply for low interest emergency loans.

Contiguous Counties are: Prince of Wales-Hyder CA and Wrangell Borough.

The streamlined disaster designation process issues a drought disaster declaration when a county has experienced a drought intensity value of at least a D2 (severe drought) level for eight consecutive weeks based on the <u>U.S.</u>

<u>Drought Monitor</u> during the crop year.

Emergency loans help producers recover from production and physical losses due to drought, flooding and other natural disasters or quarantine.

Producers have eight months from the date of the declaration to apply for emergency loan assistance. FSA will consider each loan application on its own merits, taking into account the extent of losses, security available and repayment ability. Producers can borrow up to 100 percent of actual production or physical losses, to a maximum amount of \$500,000.

For more information about emergency loans, please contact your local FSA office or visit www.fsa.usda.gov.

#### **Farm Reconstitutions**

When changes in farm ownership or operation take place, a farm *reconstitution* is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

To be effective for the current Fiscal Year (FY), farm combinations and farm divisions must be requested by **August 1 of the FY** for farms subject to the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. A reconstitution is considered to be requested when all:

- of the required signatures are on FSA-155
- other applicable documentation, such as proof of ownership, is submitted.

Total Conservation Reserve Program (CRP) and non-ARC/PLC farms may be reconstituted at any time.

The following are the different methods used when doing a farm recon:

**Estate Method** — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

**Designation of Landowner Method** — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

**DCP Cropland Method** — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

**Default Method** — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

### **Disaster Set-Aside (DSA) Program**

FSA borrowers with farms located in designated primary or contiguous disaster areas who are unable to make their scheduled FSA loan payments should consider the Disaster Set-Aside (DSA) program.

DSA is available to producers who suffered losses as a result of a natural disaster and is intended to relieve immediate and temporary financial stress. FSA is authorized to consider setting aside the portion of a payment/s needed for the operation to continue on a viable scale.

Borrowers must have at least two years left on the term of their loan in order to qualify.

Borrowers have eight months from the date of the disaster designation to submit a complete application. The application must include a written request for DSA signed by all parties liable for the debt along with production records and financial history for the operating year in which the disaster occurred. FSA may request additional information from the borrower in order to determine eligibility.

All farm loans must be current or less than 90 days past due at the time the DSA application is complete. Borrowers may not set aside more than one installment on each loan.

The amount set-aside, including interest accrued on the principal portion of the set-aside, is due on or before the final due date of the loan.

For more information, contact your local FSA farm loan office.

## Report: Farmers Prevented from Planting Crops on More than 19 Million Acres

Agricultural producers reported they were not able to plant crops on more than 19.4 million acres in 2019, according to a <u>new report</u> released by the U.S. Department of Agriculture (USDA). This marks the most prevented plant acres reported since USDA's Farm Service Agency (FSA) began releasing the report in 2007 and 17.49 million acres more than reported at this time last year.

Of those prevented plant acres, more than 73 percent were in 12 Midwestern states, where heavy rainfall and flooding this year has prevented many producers from planting mostly corn, soybeans and wheat.

#### **Cover Crops**

USDA supported planting of cover crops on fields where farmers were not able to plant because of their benefits in preventing soil erosion, protecting water quality and boosting soil health. The report showed where producers planted 2.71 million acres of cover crops so far in 2019, compared with 2.14 million acres at this time in 2018 and 1.88 million at this time in 2017.

To help make cover crops a more viable option, USDA's Risk Management Agency (RMA) adjusted the haying and grazing date of cover crops, and USDA's Natural Resources Conservation Service held signups in select states that offered producers assistance in planting cover crops. Meanwhile, USDA added other flexibilities to help impacted producers, including adjusting the deadline to file acreage reports in select states.

#### **About the Report**

This data report aggregates information from crop acreage reports as of August 1, 2019, which producers file with FSA to maintain program eligibility and to calculate losses for various disaster assistance programs. The crop acreage data report outlines the number of acres planted, prevented from planting, and failed by crop, county and state. To find more information, view the <a href="Aug. 12 report">Aug. 12 report</a>.

Because some producers have not completed their filing and data are still being processed, FSA will make available subsequent data reports in September, October, November, December and January. You can find reports from 2007 to the present on FSA's <u>Crop Acreage Data webpage</u>.

To receive FSA program benefits, producers are required to submit crop acreage reports annually regarding all cropland uses on their farm. This report includes data for producers who had already filed for all deadlines in 2019, including the mid-July deadlines, which are for spring-seeded crops in many locations.

#### **Other Prevented Planting Indicators**

In addition to acreage reports filed with FSA, producers with crop insurance coverage for prevented planting file claims with their insurance providers. These claims are provided to RMA and may differ from the prevented planted acres reported to FSA. More information on prevented plant coverage is available on the RMA website.

Official USDA estimates of total acres planted, harvested and to be harvested, yield, and production are available from USDA's National Agricultural Statistics Service at <a href="mass.usda.gov">nass.usda.gov</a>.

All Alaska State and County FSA Offices will be closed on Monday, September 2, 2019.

Persons with disabilities who require accommodations to attend or participate in these meetings and/or events should contact Lloyd Wilhelm, Northern CED, at (907) 895-4242, Erin Sturdivant, Southern CED, at (907) 761-7754 or Federal Relay Service at 1-800-877-8339.

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