February 2020





Farm Service Agency Electronic News Service

NEWSLETTER

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- Alaska FSA State Directors News
- <u>USDA Reminds Producers of Feb. 28 Deadline for Conservation Reserve Program General</u> Signup
- <u>FSA Encourages Producers to Enroll Soon in Agriculture Risk Coverage and Price Loss</u>
 Coverage Programs
- Alaska Producers Urged to Consider NAP Risk Protection Coverage Before Crop Sales
 Deadlines
- About Farm Loans
- Maintaining Good Credit History
- Communication is Key in Lending

Alaska State FSA Newsletter

Alaska State Farm Service Agency

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Alaska FSA State Directors News

With the sun shining longer each day many are thinking towards the spring planting season. For my own garden, I have already ordered in all my necessary garden seeds for the coming spring. Some seed varieties are available from many suppliers, some are not. Still working on some supplies and additional equipment.

One thing to remember is to use standard contracting techniques of three quotes when a decision is made to purchase equipment and supplies. On a large scale, or large piece of equipment the differences in price and shipping could be significant. On a small scale, the difference and cost savings may not be. The loyalty that a business has earned from you the customer is another consideration. Price is not the only value when purchasing, but

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

Committee Meetings: Northern Co TBA Southern Co March 10. 10:00 am

Please contact your local FSA Office for questions specific to your operation or county.

service, timing, delivery and future maintenance are all part of that decisioning process.

For myself, I have determined to purchase a new one row seeder to plant some of my garden seeds this spring. As some of us age, getting up and down from our knees is less exciting. In researching which seeder to purchase I found a model that fits my needs, considers accuracy of seed placement, depth control and equipment durability. I have talked to people who have different makes and models to confirm the quality issues. There are several different manufacturers and models to choose from, priced from high to low.

No Alaska business supplies this product. My search took me online and five companies were listed that sell the desired equipment. Price is quite standard as it comes from a 3rd party manufacturer. Shipping charges then becomes more of the decision maker. I found a range of shipping charges from \$223 to \$45. All Alaskans care about shipping fees. The difference is quite the range to consider and with quotes from all five suppliers, a decision is now made of who to purchase from. This is for a small piece of equipment, rather than a large one, but the shipping savings of \$178 is worth the exercise to me of following proper contracting protocol. May your planning for the coming summer be productive and profitable.

All Alaska State and County FSA Offices will be closed on February 17, 2020.

USDA Reminds Producers of Feb. 28 Deadline for Conservation Reserve Program General Signup

The U.S. Department of Agriculture (USDA) reminds agricultural producers interested in the Conservation Reserve Program (CRP) 2020 general signup to enroll by February 28, 2020. This signup is available to farmers and private landowners who are either enrolling for the first time or reenrolling for another 10- to 15-year term.

Farmers and ranchers who enroll in CRP receive yearly rental payments for voluntarily establishing long-term, resource-conserving plant species, such as approved grasses or trees (known as "covers"), which can control soil erosion, improve water quality and develop wildlife habitat on marginally productive agricultural lands.

CRP has 22 million acres enrolled, but the 2018 Farm Bill lifted the cap to 27 million acres.

Signed into law in 1985, CRP is one of the largest private-lands conservation programs in the U.S. It was originally intended to primarily control soil erosion and potentially stabilize commodity prices by taking marginal lands out of production. The program has evolved over the years, providing many conservation and economic benefits. Marking its 35th anniversary in 2020, CRP has had many successes, including:

- Preventing more than 9 billion tons of soil from eroding, enough soil to fill 600 million dump trucks:
- Reducing nitrogen and phosphorous runoff relative to annually tilled cropland by 95 and 85 percent respectively;
- Sequestering an annual average of 49 million tons of greenhouse gases, equal to taking 9 million cars off the road:
- Creating more than 3 million acres of restored wetlands while protecting more than 175,000 stream miles with riparian forest and grass buffers, enough to go around the world 7 times; and
- Benefiting bees and other pollinators and increased populations of ducks, pheasants, turkey, bobwhite quail, prairie chickens, grasshopper sparrows and many other birds.

The CRP continuous signup is ongoing, which enables producers to enroll for <u>certain practices</u>. FSA plans to open the Soil Health and Income Protection Program, a CRP pilot program, in early 2020, and the 2020 CRP Grasslands signup runs from March 16, 2020 to May 15, 2020.

To enroll in CRP, contact your local FSA county office or visit <u>fsa.usda.gov/crp</u>. To locate your local FSA office, visit <u>farmers.gov/service-locator</u>.

FSA Encourages Producers to Enroll Soon in Agriculture Risk Coverage and Price Loss Coverage Programs

The USDA Farm Service Agency (FSA) is reminding producers to enroll in the Agriculture Risk Coverage and Price Loss Coverage programs soon for the 2019 and 2020 crop years. Although more than 200,000 producers have enrolled to date, FSA anticipates 1.7 million producers will enroll for ARC and PLC. By enrolling soon, producers can beat the rush as the March 16 deadline nears.

In an effort to encourage producers to make a program election for ARC and PLC and sign enrollment contracts, we will be implementing a broad communications campaign. That's where we need your help!

As our partners, we acknowledge the critical role you play with our shared customers. We encourage you to use the tools outlined below through your social media channels to help us get the word out about this important deadline.

Alaska Producers Urged to Consider NAP Risk Protection Coverage Before Crop Sales Deadlines

The USDA Farm Service Agency (FSA) reminds producers to review available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the crop deadline of March 15, 2020.

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

The following crops in Alaska have a NAP application deadline of March 15, 2020: **Spring planted annual crops (vegetables)**

Producers can determine if crops are eligible for federal crop insurance or NAP by visiting https://webapp.rma.usda.gov/apps/ActuarialInformationBrowser2018/CropCriteria.aspx.

The 2018 Farm Bill reinstates higher levels of coverage, from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price. Producers of organics and crops marketed directly to consumers also may exercise the "buy-up" option to obtain NAP coverage of 100 percent of the average market price at the coverage levels of between 50 and 65 percent of expected production. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

For all coverage levels, the NAP service fee is the lesser of \$325 per crop or \$825 per producer per county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties.

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at USDA's online Agent Locator: http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#. Producers can use the USDA Cost Estimator, https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx, to predict insurance premium costs.

For more information on NAP, service fees, sales deadlines, contact the County FSA office in your area or visit the web at www.fsa.usda.gov/nap.

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.

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.

Communication is Key in Lending

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be a success. A part of ensuring this success is providing guidance and counsel from the loan application process through the borrower's graduation to commercial lending institutions. While it is FSA's commitment to advise borrowers as they identify goals and evaluate progress, it is crucial for borrowers to communicate with their farm loan staff when changes occur. It is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation;
- Any significant changes to family income or expenses;
- The development of problem situations;
- Any losses or proposed significant changes in security

In addition, if a farm loan borrower cannot make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options.

For more information on FSA farm loan programs, visit www.fsa.usda.gov.

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.

USDA is an equal opportunity provider, employer and lender. 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).





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