

# July 2015

## Idaho Farm Service

Agency 9173 West Barnes Drive Suite B Boise, ID 83709

#### www.fsa.usda.gov/id

#### **State Committee**

Scott McLeod, Chair Bobbi Bodine Sherry Crutcher Matt Gellings Amy Manning

# Executive Director

Mark Samson

#### Farm Loan Chief Aaron Johnson

### Farm Program Chief Jeff Mitchell

To find contact information for your local office you can go to <u>www.fsa.usda.gov/id</u> and select County Offices.

### Livestock Forage Disaster Program (LFP)

Producers in many Idaho counties are eligible to apply for 2015 Livestock Forage Disaster Program (LFP) benefits on native pasture and improved pasture. The eligible counties are:

Adams, Bingham, Blaine, Butte, Camas, Canyon, Clark, Custer, Elmore, Fremont, Gooding, Jefferson, Jerome, Lincoln, Minidoka, Owyhee, Payette, Twin Falls, and Washington.

LFP provides compensation to eligible livestock producers who suffer grazing losses for covered livestock due to drought on privately owned or cash leased land or fire on federally managed land.

County committees can only accept LFP applications after notification is received by the National Office of qualifying drought or if a federal agency prohibits producers from grazing normal permitted livestock on federally managed lands due to qualifying fire.

For 2015 and subsequent years, eligible livestock producers must complete a CCC-853 and the required supporting documentation no later than 30 calendar days after the end of the calendar year in which the grazing losses occurred. Losses must occur in the calendar year the application is being filed.

Additional Information about LFP, including eligible livestock and fire criteria, is available at your local FSA office or online at: www.fsa.usda.gov.

### Enrollment for 2016 Dairy Margin Protection Program Started July 1

Idaho dairy farmers began enrolling in the Margin Protection Program on July 1, 2015, for coverage in 2016. The voluntary program, established by the 2014 Farm Bill, provides financial assistance to participating dairy operations when the margin – the difference between the price of milk and feed costs – falls below the coverage level selected by the farmer.

The Margin Protection Program gives participating dairy producers the flexibility to select coverage levels best suited for their operation. Enrollment begins July 1 and ends on Sept. 30, 2015, for coverage in 2016. Participating farmers will remain in the program through 2018 and pay a \$100 administrative fee each year. Producers also have the option of selecting a different coverage level during open enrollment each year. Margin Protection Program payments are based on an operation's historical production. An operation's historical production will increase by 2.61 percent in 2016 if the operation participated in 2015, providing a stronger safety net.

USDA also has an online resource available to help dairy producers decide which level of coverage will provide them with the strongest safety net under a variety of conditions. The enhanced Web tool, available at www.fsa.usda.gov/mpptool, allows dairy farmers to quickly and easily combine their unique operation data and other key variables to calculate their coverage needs based on price projections. Producers can also review historical data or estimate future coverage based on data projections. The secure site can be accessed via computer, mobile phone, or tablet, 24 hours a day, seven days a week.

Dairy operations enrolling in the program must meet conservation compliance provisions. Producers participating in the Livestock Gross Margin insurance program may register for the Margin Protection Program, but this new margin program will only begin once their livestock dairy insurance coverage has ended. Producers must also submit form CCC-782 for 2016, confirming their Margin Protection Program coverage level selection, to the local Farm Service Agency (FSA) office. If electing higher coverage for 2016, dairy producers can either pay the premium in full at the time of enrollment or pay a minimum of 25 percent of the premium by Feb. 1, 2016.

## Filing a Notice of Loss

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 the Non-Insured Crop Disaster Assistance Program (NAP), 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.

Producers of hand-harvested crops must notify FSA of damage or loss through the administrative County Office within 72 hours of the date of damage or loss first becomes apparent. This notification can be provided by filing a CCC-576, email, fax or phone. Producers who notify the County Office by any method other than by filing the CCC-576 are still required to file a CCC-576, Notice of Loss, within the required 15 calendar days.

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.

## ARC, PLC and CTAP Acreage Maintenance

Producers enrolled in Agriculture Risk Coverage (ARC), Price Loss Coverage (PLC) must protect all cropland and noncropland acres on the farm from wind and water erosion and noxious weeds. Producers who sign ARC county or individual contracts and PLC contracts agree to effectively control noxious weeds on the farm according to sound agricultural practices. If a producer fails to take necessary actions to correct a maintenance problem on a farm that is enrolled in ARC, PLC or CTAP, the County Committee may elect to terminate the contract for the program year.

### Save Time – Make 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 an appointment and to discuss any records or documentation that you may need to have with you when you arrive for your appointment. For local FSA Service Center contact information, please visit: http://offices.sc.egov.usda.gov/locator/app.

# Maintaining the Quality of Farm-Stored Loan Grain

Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

### **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 twoyear period. Always call before you haul any grain under loan.

### USDA Packages Disaster Protection with Loans to Benefit Specialty Crop and Diversified Producers

# *Free basic coverage and discounted premiums available for new and underserved loan applicants*

U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) recently announced that producers who apply for FSA farm loans also will be offered the opportunity to enroll in new disaster loss protections created by the 2014 Farm Bill. The new coverage, available from the Noninsured Crop Disaster Assistance Program (NAP), is available to FSA loan applicants who grow non-insurable crops, so this is especially important to fruit and vegetable producers and other specialty crop growers.

New, underserved and limited income specialty growers who apply for farm loans could qualify for basic loss coverage at no cost, or higher coverage for a discounted premium.

The basic disaster coverage protects at 55 percent of the market price for crop losses that exceed 50 percent of production. Covered crops include "specialty" crops, for instance, vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, hay, forage, grazing and energy crops. FSA allows beginning, underserved or limited income producers to obtain NAP coverage up to 90 days after the normal application closing date when they also apply for FSA credit.

In addition to free basic coverage, beginning, underserved or limited income producers are eligible for a 50 percent discount on premiums for the higher levels of coverage that protect up to 65 percent of expected production at 100 percent of the average market price. Producers also may work with FSA to protect valueadded production, such as organic or direct market crops, at their fair market value in those markets. Targeted underserved groups eligible for free or discounted coverage are American Indians or Alaskan Natives, Asians, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, Hispanics, and women.

FSA offers a variety of loan products, including farm ownership loans, operating loans and microloans that have a streamlined application process.

Growers need not apply for an FSA loan, nor be a beginning, limited resource, or underserved farmer, to be eligible for Noninsured Crop Disaster Assistance Program assistance. To learn more, visit www.fsa.usda.gov/nap or www.fsa.usda.gov/farmloans, or contact your local FSA office at https://offices.usda.gov.

### Youth Loans

The Farm Service Agency makes loans to youth to establish and operate agricultural income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5000.

### Youth Loan Eligibility Requirements:

• Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien

- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Be unable to get a loan from other sources

• Conduct a modest income-producing project in a supervised program of work as outlined above

• Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the youth loan applicant, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms.

# USDA Enhances Farm Storage Facility Loan Program

The U.S. Department of Agriculture (USDA) expanded the Farm Storage and Facility Loan program, which provides low-interest financing to producers. The enhanced program includes 22 new categories of eligible equipment for fruit and vegetable producers.

Producers with small and mid-sized operations, and specialty crop fruit and vegetable growers, now have access to needed capital for a variety of supplies including sorting bins, wash stations and other food safety-related equipment. A new more flexible alternative is also provided for determining storage needs for fruit and vegetable producers, and waivers are available on a case-by-case basis for disaster assistance or insurance coverage if available products are not relevant or feasible for a particular producer.

Additionally, Farm Storage Facility Loan security requirements have been eased for loans up to \$100,000. Previously, all loans in excess of \$50,000 and any loan with little resale value required a promissory note/security agreement and additional security, such as a lien on real estate. Now loans up to \$50,000 can be secured by only a promissory note/security agreement and some loans between \$50,000 and \$100,000 will no longer require additional security.

The low-interest funds 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. Contact your local FSA office or visit www.fsa.usda.gov for more about FSA programs and loans, including the Farm Storage Facility Loan Program.

# Farmers to Receive Documentation of USDA Services

#### Local Offices Issue Receipts for Services Provided

Farm Service Agency (FSA) reminds agricultural producers that FSA provides a receipt to customers who request or receive assistance or information on FSA programs.

As part of FSA's mission to provide enhanced customer service, producers who visit FSA will receive documentation of services requested and provided. From December through June, FSA issued more than 327,000 electronic receipts.

The 2014 Farm Bill requires a receipt to be issued for any agricultural program assistance requested from FSA, the Natural Resources Conservation Service (NRCS) and Rural Development (RD). Receipts include the date, summary of the visit and any agricultural information, program and/or loan assistance provided to an individual or entity.

In some cases, a form or document – such as a completed and signed program enrollment form – serve as the customer receipt instead of a printed or electronic receipt. A service is any information, program or loan assistance provided whether through a visit, email, fax or letter.

To learn more about FSA, visit www.fsa.usda.gov or to find your local USDA office, visit http://offices.usda.gov.

### USDA Opens Enrollment Period for Agriculture Risk Coverage and Price Loss Coverage Safety-Net Programs

The enrollment period for the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for 2014 and 2015 began June 17, 2015, and will end Sept. 30, 2015.

The new programs, established by the 2014 Farm Bill, trigger financial protections for agricultural producers when market forces cause substantial drops in crop prices or revenues. More than 1.76 million farmers have elected ARC or PLC. Previously, 1.7 million producers had enrolled to receive direct payments (the program replaced with ARC and PLC by the 2014 Farm Bill). This means more farms have elected ARC or PLC than previously enrolled under previously administered programs.

Nationwide, 96 percent of soybean farms, 91 percent of corn farms, and 66 percent of wheat farms elected ARC. 99 percent of long grain rice farms, 99 percent of peanut farms, and 94 percent of medium grain rice farms elected PLC. For data about other crops and state-by-state program election results go to www.fsa.usda.gov/arc-plc.

Covered commodities under ARC and PLC include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, dry peas, rapeseed, long grain rice, medium grain rice (which includes short grain and sweet rice), safflower seed, sesame, soybeans, sunflower seed and wheat.

| Selected Interest Rates for<br>July 2015                                      |        |
|---|--------|
| Farm Operating Loans — Direct   | 2.50%  |
| Farm Ownership Loans — Direct   | 3.75%  |
| Farm Ownership Loans — Direct Down<br>Payment, Beginning Farmer or<br>Rancher | 1.50%  |
| Emergency Loans   | 3.50%  |
| Farm Storage Facility Loans(7 years)  | 2%     |
| Farm Storage Facility Loans (12 years)  | 2.375% |

| Dates to Remember |   |  |
|-------------------|---|--|
| July 1            | Margin Protection for Dairy<br>Enrollment Began                   |  |
| July 15           | Crop Reporting Deadline   |  |
| August 1          | End of Primary Nesting<br>Season for CRP                          |  |
| August 3          | Deadline to submit<br>nominations for County<br>Office Committees |  |
| Sept. 30          | Open Enrollment for<br>ARC/PLC ends                               |  |

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To file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at

http://www.ascr.usda.gov/complaint filing cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax at (202) 690-7442 or e-mail at program.intake@usda.gov. USDA is an equal opportunity provider and employer