February 2019





Farm Service Agency Electronic News Service

NEWSLETTER

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Idaho FSA February 2019 Newsletter

Idaho Farm Service Agency

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State Committee:

Mike Guerry, Chair Joe Anderson Katlin Davis Matt Gellings Randy Hardy

Acting State Executive

Director: Brian Dansel

Farm Loan Chief: Aaron Johnson

Farm Program Chief:

Charles Newhouse

Note: To check the status of your FSA Farm Loan (FLP) account, call 1-888-518-4983 or check with your local office.

To find contact information for your local office go to www.fsa.usda.gov/id

USDA Farm Service Agency Announces Program Deadline Extensions

USDA's Farm Service Agency extended deadlines on many of its programs because of the government shutdown and the emergency nature of many of the programs. Below are updated deadlines:

*** For details on all program deadlines and extensions, view <u>FSA</u> <u>National Notice CM-807</u>

Farm Programs

- Market Facilitation Program
 - Deadline to apply extended to Feb. 14, 2019
- Marketing Assistance Loans
 - If loan matured in December 2018, settlement date extended to Feb. 14, 2019
 - Peanut loans or Loan Deficiency Payments loan availability date now Feb. 28, 2019
- Emergency Conservation Program
 - Performance reporting due Feb. 14, 2018
- Livestock Forage Disaster
 - o 2018 application for payment due Feb. 28, 2019
- Emergency Assistance Livestock, Honey Bees, and Farmraised Fish Program
 - o Notice of loss due Feb. 14, 2019
- Livestock Indemnity Program
 - Notice of loss due Feb. 14, 2019

- Noninsured Crop Disaster Assistance Program
 - Submitting 2019 application for coverage due Feb. 14, 2019
 - o Notice of loss for 72-hour harvest and grazing (as applicable) due Feb. 14, 2019
 - Notice of loss for prevented planting and failed acres due Feb. 14, 2019
 - Applications for payment for 2018 covered losses due Feb. 14, 2019
- Tree Assistance Program
 - Notice of loss due Feb. 14, 2019
- Acreage Reporting
 - January reporting deadlines extended to Feb. 14, 2019 honey bee colonies, apples, apricots, cherries, grapes, nectarines, peaches, plums.

For inquiries related to these programs or any not listed above, contact your local <u>FSA Service</u> <u>Center</u>.

Market Facilitation Program – Deadline Feb. 14

The last day to submit your Market Facilitation Program (MFP) application is Feb. 14, 2019. The final day to certify 2018 production is May 1, 2019.

Producers of corn, cotton, sorghum, soybeans, wheat, dairy, hogs, fresh sweet cherries and shelled almonds may be eligible to sign up for an MFP payment. MFP is designed to help producers significantly impacted by actions of foreign governments resulting in the loss of traditional exports. Contact your local FSA county office for more details to apply or visit <u>www.farmers.gov/MFP</u>.

USDA Encourages Producers to Consider NAP Risk Protection Coverage before Crop Sales Deadlines

The Farm Service Agency encourages producers to examine available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the applicable crop sales deadline.

Producers are reminded that crops not covered by insurance may be eligible for NAP. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage.

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.

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

NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

Deadlines for coverage vary by state and crop. In Idaho the deadline to purchase NAP for spring planted crops is March 15, 2019. To learn more about NAP visit www.fsa.usda.gov/nap or contact your local USDA Service Centers to find your local USDA Service Centers go to http://offices.usda.gov.

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: <u>http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#</u>. Producers can use the USDA Cost Estimator, <u>https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx</u>, to predict insurance premium costs.

Report Noninsured Crop Disaster Assistance Program (NAP) Losses

The Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of noninsurable crops when low yields, loss of inventory, or prevented planting occur due to natural disasters including drought, hail, excessive moisture, freeze, and excessive wind (includes native grass for grazing).

Eligible producers must have purchased NAP coverage for 2019 crops. A notice of loss must be filed the earlier of 15 days of the occurrence of the disaster or when losses become apparent or 15 days of the final harvest date.

Producers of hand-harvested crops and certain perishable crops must notify FSA within 72 hours of when a loss becomes apparent.

Eligible crops must be commercially produced agricultural commodities for which crop insurance is not available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

For more information on NAP, contact your local FSA office or visit <u>www.fsa.usda.gov/nap</u>.

Livestock Forage Losses

Producers in Canyon, Payette, and Washington Counties are eligible to apply for 2018 Livestock Forage Disaster Program (LFP) benefits on native pasture and improved pasture.

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 a qualifying drought or if a federal agency prohibits producers from grazing normal permitted livestock on federally managed lands due to qualifying fire. Eligible livestock producers must complete a CCC-853 and the required supporting documentation no later than February 28, 2019, for 2018 losses.

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

CRP Payment Limitation

Payments and benefits received under the Conservation Reserve Program (CRP) are subject to the following:

- payment limitation by direct attribution
- foreign person rule
- average adjusted gross income (AGI) limitation

The 2014 Farm Bill continued the \$50,000 maximum CRP payment amount that can be received annually, directly or indirectly, by each person or legal entity. This payment limitation includes all annual rental payments and incentive payments (Sign-up Incentive Payments and Practice Incentive Payments). Annual rental payments are attributed (earned) in the fiscal year in which program performance occurs. Sign-up Incentive Payments (SIP) are attributed (earned) based on the fiscal year in which the contract is approved, not the fiscal year the contract is effective. Practice Incentive Payments (PIP) are attributed (earned) based on the fiscal year in which the cost-share documentation is completed and the producer or technical service provider certifies performance of practice completion to the county office.

Such limitation on payments is controlled by direct attribution.

- Program payments made directly or indirectly to a *person* are combined with the pro rata interest held in any legal entity that received payment, unless the payments to the legal entity have been reduced by the pro rata share of the person.
- Program payments made directly to a *legal entity* are attributed to those persons that have a direct and indirect interest in the legal entity, unless the payments to the legal entity have been reduced by the pro rata share of the person.
- Payment attribution to a legal entity is tracked through four levels of ownership. If any part
 of the ownership interest at the fourth level is owned by another legal entity, a reduction in
 payment will be applied to the payment entity in the amount that represents the indirect
 interest of the fourth level entity in the payment entity.

Essentially, all payments will be "attributed" to a person's Social Security Number. Given the current CRP annual rental rates in many areas, it is important producers are aware of how CRP offered acreages impact their \$50,000 annual payment limitation. Producers should contact their local FSA office for additional information.

NOTE: The information in the above article only applies to contracts subject to 4-PL and 5-PL regulations. It does not apply to contacts subject to 1-PL regulations.

Update Your Records

FSA is cleaning up our producer record database. If you have any unreported changes of address, zip code, phone number, email address or an incorrect name or business name on file they need to be reported to our office. Changes in your farm operation, like the addition of a farm by lease or purchase, need to be reported to our office as well. Producers participating in FSA and NRCS programs are required to timely report changes in their farming operation to the County Committee in writing and update their CCC-902 Farm Operating Plan.

If you have any updates or corrections, please call your local FSA office to update your records.

New Improvement to Streamline Crop Reporting

Update Lets Farmers and Ranchers Report Common Acreage Information Once

Farmers and ranchers filing crop acreage reports with the Farm Service Agency (FSA) and participating insurance providers approved by the Risk Management Agency (RMA) now can provide the common information from their acreage reports at one office and the information will be electronically shared with the other location.

This new process is part of the USDA Acreage Crop Reporting Streamlining Initiative (ACRSI). This interagency collaboration also includes participating private crop insurance agents and insurance companies, all working to streamline the information collected from farmers and ranchers who participate in USDA programs.

Once filing at one location, data that's important to both FSA and RMA will be securely and electronically shared with the other location avoiding redundant and duplicative reporting, as well as saving farmers and ranchers time.

Producers must still visit both their local FSA office and their insurance provider to validate and sign acreage reports, complete maps, or provide program-specific information, including reporting uninsured crops to FSA. The common data from the first-filed acreage report will now be available to pre-populate and accelerate completion of the second report.

USDA has been working to streamline the crop reporting process for agricultural producers, who have expressed concerns with providing the same basic common information for multiple locations. In 2013, USDA consolidated the deadlines to 15 dates for submitting these reports, down from the previous 54 dates at RMA and 17 dates for FSA. USDA representatives believe farmers and ranchers will experience a notable improvement in the coming weeks as they approach the peak season for crop reporting later this summer.

More than 93 percent of all annual reported acres to FSA and RMA now are eligible for the common data reporting, and USDA is exploring adding more crops. Plans are underway at USDA to continue building upon the framework with additional efficiencies at a future date.

Farmers and ranchers are also reminded that they can now access their FSA farm information from the convenience of their home computer. Producers can see field boundaries, images of the farm, conservation status, operator and owner information and much more.

The new customer self-service portal, known as *FSAFarm*+, gives farmers and ranchers online access to securely view, print or export their personal farm data. To enroll in the online service, producers are encouraged to contact their local FSA office for details. To find a local FSA office in your area, visit <u>http://offices.usda.gov</u>.

Maps for Acreage Reporting

Maps are now available at your local County FSA Office for acreage reporting purposes. Producers may pick them up any time during office hours. If you wish to receive your maps by e-mail, please call your <u>local USDA service center</u>.

In order to maintain program eligibility and benefits, producers must timely file acreage reports. Failure to file an acreage report by the crop acreage reporting deadline may result in ineligibility for future program benefits. FSA will not accept acreage reports provided more than a year after the acreage reporting deadline.

Producers are encouraged to file their acreage reports as soon as planting is completed.

Submit Loan Requests for Financing Early

The Farm Loan teams in Idaho are working on operating loans for 2019 so it is important that potential borrowers submit their requests early so they can be timely processed. The farm loan teams can help determine which loan programs are best for applicants.

FSA offers a wide range of low-interest loans that can meet the financial needs of any farm operation for just about any purpose. The traditional **farm operating and farm ownership loans** can help large and small farm operations take advantage of early purchasing discounts for spring inputs as well expenses throughout the year.

Microloans are a simplified loan program that will provide up to \$50,000 to eligible applicants. These loans, targeted for smaller operations and non-traditional operations, can be used for operating expenses, starting a new agricultural enterprise, purchasing equipment, and other needs associated with a farming operation. The staff at your county FSA office can provide more details on farm operating and microloans and provide loan applications. Loans to beginning farmers and members of underserved groups are a priority.

Other types of loans available include:

Marketing Assistance Loans allow producers to use eligible commodities as loan collateral and obtain a 9-month loan while the crop is in storage. These loans provide cash flow to the producer and allow them to market the crop when prices may be more advantageous.

Farm Storage Facility Loans can be used to build permanent structures used to store eligible commodities, or for storage and handling trucks, or portable or permanent handling equipment. A variety of structures are eligible under this loan, including bunker silos, grain bins, hay storage structures and refrigerated structures for vegetables and fruit. A producer may borrow up to \$500,000 per loan.

Please call your local county office if you have questions about any of the loans available through FSA or visit <u>www.fsa.usda.gov</u>.

Guaranteed Loan Program

FSA guaranteed loans allow lenders to provide agricultural credit to farmers who do not meet the lender's normal underwriting criteria. Farmers and ranchers apply for a guaranteed loan through a lender, and the lender arranges for the guarantee. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. Guaranteed loans can be used for both farm ownership and operating purposes.

Guaranteed farm ownership loans can be used to purchase farmland, construct or repair buildings, develop farmland to promote soil and water conservation or to refinance debt.

Guaranteed operating loans can be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance and other operating expenses.

FSA can guarantee farm ownership and operating loans up to \$1,750,000. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your lender or local FSA farm loan office for more information on guaranteed loans.

February 2019 Interest Rates and Important Dates

Interest Rates:

Farm Operating Loans – Direct – 3.75% Farm Ownership Loans – Direct – 4.125% Farm Ownership Loans Direct Down Payment, Beginning Farmer or Rancher – 1.50% Farm Storage Facility Loans (7 years) – 2.625% Farm Storage Facility Loans (12 years)- 2.750%

Dates to Remember:

- February 18th, 2019 Presidents' Day Federal Holiday FSA Offices Closed.
- See above article for important deadlines.

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).