January 2015



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Illinois FSA Newsletter

Illinois Farm Service Agency

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www.fsa.usda.gov/il

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Important ARC/PLC Program Deadlines Approaching

Producers are reminded that the deadline to update yield history and/or reallocate base acres is Feb. 27, 2015. Farm owners and producers can choose between the new 2014 Farm Bill established programs, Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) through March 31, 2015. The new programs, designed to help producers better manage risk, usher in one of the most significant reforms to U.S. farm programs in decades.

USDA helped create online tools to assist in the decision process, allowing farm owners and producers to enter information about their operation and see projections that show what ARC and/or PLC will mean for them under possible future scenarios. Farm owners and producers can access the online resources, available at www.fsa.usda.gov/arc-plc, from the convenience of their home computer or mobile device at any time.

Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard

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

seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium grain rice (which includes short grain rice), safflower seed, sesame, soybeans, sunflower seed and wheat. Upland cotton is no longer a covered commodity.

Dates associated with ARC and PLC that farm owners and producers need to know:

Now through Feb. 27, 2015 - Farm owners may visit their local Farm Service Agency office to update yield history and/or reallocate base acres.

Now through March 31, 2015 - Producers make a one-time election between ARC and PLC for the 2014 through 2018 crop years.

Mid-April 2015 through summer 2015 - Producers sign contracts for 2014 and 2015 crop years.

October 2015 - Payments issued for 2014 crop year, if needed.

To learn more about which safety net options are most appropriate for specific farming operations, farmers can use new Web tools at www.fsa.usda.gov/arc-plc, which can be accessed from the convenience of a home computer or a mobile device at any time.

FSA Announces New Yield Data for Safety Net Calculations

The U.S. Department of Agriculture Farm Service Agency (FSA) offers farmers new information to update program payment yields that will help them better select protections offered by the Agricultural Risk Coverage (ARC) and Price Loss Coverage (PLC) programs. The new programs, established by the 2014 Farm Bill, are cornerstones of the commodity farm safety, offering farmers protection when market forces cause substantial drops in crop prices and revenues.

The Farm Bill provides landowners with the option of updating their farm program payment yields and this is the first time that many producers have been able to update yields since 1986. FSA has worked with the Risk Management Agency (RMA) to make available certified yield data that producers can use to better calculate how the new safety net programs can offer the best protection against market swings.

Producers can check with their local FSA county office to see if data is available for them. This data belongs to the producer and only the producer associated with the crop insurance records will be provided this service. Updating yield history or reallocating base acres can occur until Feb. 27, 2015.

Tree Assistance Program (TAP) Sign-up Continues

Orchardists and nursery tree growers who experienced losses from natural disasters that occurred on or after Oct. 1, 2011, can sign up for the Tree Assistance Program (TAP). TAP was authorized by the Agricultural Act of 2014 as a permanent disaster program. TAP provides financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes and vines damaged by natural disasters.

Eligible tree types include trees, bushes or vines that produce an annual crop for commercial purposes. Nursery trees include ornamental, fruit, nut and Christmas trees that are produced for commercial sale. Trees used for pulp or timber are ineligible.

To qualify for TAP, orchardists must suffer a qualifying tree, bush or vine loss in excess of 15 percent mortality from an eligible natural disaster. The eligible trees, bushes or vines must have been owned when the natural disaster occurred; however, eligible growers are not required to own the land on which the eligible trees, bushes and vines were planted.

For losses that occurred on or after Oct. 1, 2011, through the end of the 2014 calendar year, the final date to submit an application and supporting documentation is the later of Jan. 31, 2015 or 90 calendar days after the disaster event or the date the loss is apparent. For calendar year 2015 and subsequent losses, all applications and supporting documentation must be submitted the later of 90 calendar days after the disaster event or the date the loss is apparent.

If the TAP application is approved, the eligible trees, bushes and vines must be replaced within 12 months from the date the application is approved. The cumulative total quantity of acres planted to trees, bushes or vines, for which a producer can receive TAP payments, cannot exceed 500 acres annually.

Beginning Farmer Loans

FSA assists beginning farmers to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans.

FSA defines a beginning farmer as a person who:

Has operated a farm for not more than 10 years

Will materially and substantially participate in the operation of the farm

Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA

Does not own a farm in excess of 30 percent of the county's average size farm.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit www.fsa.usda.gov.

Loans for the Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or to purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of traditionally underserved groups.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

USDA Provides Greater Protection for Fruit, Vegetable and Other Specialty Crop Growers

Greater protection is now available from the Noninsured Crop Disaster Assistance Program for crops that historically have been ineligible for federal crop insurance. The new options, created by the 2014 Farm Bill, provide greater coverage for losses when natural disasters affect specialty crops such as vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, and energy crops.

Previously, the program offered coverage at 55 percent of the average market price for crop losses that exceed 50 percent of expected production. Producers can now choose higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price.

The expanded protection will be especially helpful to beginning and socially disadvantaged producers, as well as farmers with limited resources, who will receive fee waivers and premium reductions for expanded coverage. More crops are now eligible for the program, including expanded aquaculture production practices, and sweet and biomass sorghum. For the first time, a range of crops used to produce bioenergy will be eligible as well.

To help producers learn more about the Noninsured Crop Disaster Assistance Program and how it can help them, USDA, in partnership with Michigan State University and the University of Illinois, created an online resource. The Web tool, available at www.fsa.usda.gov/nap, allows producers to determine whether their crops are eligible for coverage. It also gives them an opportunity to explore a variety of options and levels to determine the best protection level for their operation.

If the application deadline for an eligible crop has already passed, producers will have until Jan. 14, 2015, to choose expanded coverage through the Noninsured Crop Disaster Assistance Program. To learn more, visit the Farm Service Agency (FSA) website at www.fsa.usda.gov/nap or contact your local FSA office at offices.usda.gov. The Farm Service Agency (FSA), which administers the program, also wants to hear from producers and other interested stakeholders who may have suggestions or recommendations on the program. Written comments will be accepted until Feb. 13, 2015 and can be submitted through www.regulations.gov.

Interest Rates for January 2015

90-Day Treasury Bill: .125%

Farm Operating Loans - Direct: 2.625% Farm Ownership Loans - Direct: 4.00%

Farm Ownership Loans Direct Downpayment, Beginning Farmer or Rancher: 1.50%

Emergency Loans: 3.625%

Farm Storage Facility Loans (7 years): 2.00% Farm Storage Facility Loans (10 years): 2.250% Farm Storage Facility Loans (12 years): 2.375%

Commodity Loans: 1.125%

2014 Farm Bill Informational/Producer Education Meetings

Farm Service Agency and the Illinois Farm Bureau are conducting several 2014 Farm Bill Informational/Producer Education Meetings throughout the state. For a complete listing of the Farm Bureau informational meetings that the Illinois Farm Bureau is providing please visit

FarmWeekNow.com and for a complete listing of the Producers Education Meetings that FSA is providing please visit www.fsa.usda.gov/il.

Dates to Remember

December or March 15, 2015 (depending on the crop) - NAP sales closing date

January 30, 2015 - Deadline to request early CRP contract termination

January 30, 2015 - Deadline to submit a notice of loss & apply for Livestock Indemnity Program (LIP)

January 30, 2015 - Final date to apply for LFP for crop year 2012 and LIP benefits for eligible livestock losses due to adverse weather conditions

February 27, 2015 - Deadline to update yield history and/or reallocate base acres

March 31, 2015 - Deadline to make a one-time election between ARC and PLC for 2014 through 2018 crop years

September 30, 2018 - Extension of Dairy Indemnity Payment Program (DIPP) Ongoing - FSFL (Farm Facility Loans)

Livestock Disaster Assistance Sign-up Underway

Eligible producers can sign-up for the following livestock disaster assistance programs:

Livestock Forage Disaster Program (LFP):

LFP provides compensation to eligible livestock producers that have suffered grazing losses due to drought during 2012 for Illinois livestock producers on privately owned or cash leased land. Eligible producers must physically be located in a county affected by a qualifying drought during the normal grazing period for the county. Producers who suffered eligible grazing losses during crop year 2012 should submit a completed CCC-853 and supporting documentation by January 30, 2015.

Livestock Indemnity Program (LIP):

LIP provides compensation to eligible livestock producers that have suffered 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. Producers who suffered livestock death losses should submit a notice of loss and an application for payment to their local FSA office by January 30, 2015 for eligible livestock losses that occurred from October 1, 2011 through December 31, 2014.

2014 MAL Requests

The USDA Farm Service Agency (FSA) is accepting requests for marketing assistance loans (MALs) for eligible 2014 commodities.

MALs for the 2014 crop year become available to eligible producers beginning with harvest/shearing season and extending through a specific commodity's final loan availability date.

MALs provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds pulse crops wool mohair and honey. MALs provide producers interim financing after

harvest to help them meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows.

National and county loans rates for 2014 crops are posted on the FSA website at: www.fsa.usda.gov/pricesupport.

For more information, please visit a nearby USDA Service Center or FSA's website www.fsa.usda.gov

Signature Policy

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits. The following are FSA signature guidelines:

Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office

Spouses shall not sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities.

For additional clarification on proper signatures contact your local FSA office.

USDA is an equal opportunity provider and employer. 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).