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Farm Service Agency Electronic News Service

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Louisiana FSA Newsletter

Louisiana Farm Service Agency

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www.fsa.usda.gov/la

State Executive Director: Craig A. McCain

State Committee:

Ray Young, Chairperson John Earles Emery Jones Julie Richard Donna Winters

Message from Craig A. McCain, FSA State Executive Director

Well Tropical Storm Barry came and went and left his mark on some parts of the State. Southwest and South-Central Louisiana experienced significant rainfall events during and after the passage of TS Barry and flooding in these areas has caused problems with crops, particularly with soybeans. The Mississippi River flooding that we have dealt with all year continues to subside, albeit very slowly. However, gauges below Natchez, Mississippi, currently indicate minor flooding, hopefully, we will soon be out of flood stage. We can only hope and pray for "Normal" weather for the remainder of this crop year; as well as improved crop market conditions and prices. On that note, persons or entities sharing in a 2019 crop which has been affected by "unfair trade practices and tariffs', may be interested to know that FSA has started sign-up for the 2019 Market Facilitation Program or MFP. Additional information about this program and other FSA services is listed Next State Committee Meeting: To be determined

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

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

Louisiana FSA now offers SMS texting; receive text message alerts on your cell phone regarding important deadlines, reporting requirements and updates.

Contact your local FSA Office for more information.

below. Please contact your local USDA Service Center for more information.

Again, on behalf of the staff of the Louisiana Farm Service Agency, please allow me to say "Thank you" for what you do each day to serve the needs of the United States of America and of the entire World and as the Secretary says "Do Right and Feed Everyone"!

Upcoming Important Dates

- Sept. 2 USDA Service Centers will be closed in observance of the Labor Day Holiday
- Sept. 20 is the final date to enroll in Dairy Margin Coverage (DMC)
- Nov. 4 County Committee election ballots will be mailed to eligible voters
- **Dec. 6** is the final date to sign-up for Market Facilitation Program (MFP) payments

On Sept. 19 & 20, LSU AgCenter Annie's Project will conduct free Risk Management workshops in Alexandria, LA. The deadline to register is Sept. 13 at <u>https://www.eventbrite.com/e/lsu-agcenter-annies-project-two-day-workshop-in-alexandria-tickets-</u>69064938089

For more information contact Maria Bampasidou, at <u>MBampasidou@agcenter.lsu.edu</u>

USDA Opens Signup for Market Facilitation Program

Enrollment Now Open through Dec. 6

Signup is now open 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, extra-long 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. <u>View payment rates by county</u>.

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 <u>farmers.gov/mfp</u>, 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 <u>farmers.gov/fund</u> 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 <u>farmers.gov/recover/disaster-assistance-tool#step-1</u> 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.

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 Aug. 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 <u>Aug. 12</u> report.

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 <u>RMA website</u>.

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 <u>nass.usda.gov</u>.

Filing CCC-941 Adjusted Gross Income (AGI) Certifications

Many producers have experienced delays in receiving Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments, Loan Deficiency Payments (LDPs) and Market Gains on Marketing Assistance Loans (MALs) because they have not filed form CCC-941, *Adjusted Gross Income Certification*. No program payment can be issued to an eligible producer, including landowners who share in the crop, without a valid CCC-941 on file in the county office.

Producers without a valid CCC-941 on file for the applicable crop year will not receive payments. All farm operator/tenants/owners who have not filed a CCC-941 and have pending payments should IMMEDIATELY file the form with their recording county FSA office. Farm operators and tenants are encouraged to ensure that their landowners have filed the form.

FSA can accept the CCC-941 for 2017, 2018, and 2019. Unlike the past, producers must have the CCC-941 certifying their AGI compliance before any payments can be issued.

Reporting Organic Crops

Producers who want to use the Noninsured Crop Disaster Assistance Program (NAP) organic price and selected the "organic" option on their NAP application must report their crops as organic.

When certifying organic acres, the buffer zone acreage must be included in the organic acreage.

Producers must also provide a current organic plan, organic certificate or documentation from a certifying agent indicating an organic plan is in effect. Documentation must include:

- name of certified individuals
- address
- telephone number
- effective date of certification
- certificate number
- list of commodities certified
- name and address of certifying agent
- a map showing the specific location of each field of certified organic, including the buffer zone acreage

Certification exemptions are available for producers whose annual gross agricultural income from organic sales totals \$5,000 or less. Although exempt growers are not required to provide a written certificate, they are still required to provide a map showing the specific location of each field of certified organic, transitional and buffer zone acreage.

For questions about reporting organic crops, contact your local FSA office. To find your local office, visit <u>http://offices.usda.gov</u>.

Higher Limits Now Available on USDA Farm Loans

Higher limits are now available for borrowers interested in USDA's farm loans, which help agricultural producers purchase farms or cover operating expenses. The 2018 Farm Bill increased the amount that producers can borrow through direct and guaranteed loans available through USDA's Farm Service Agency (FSA) and made changes to other loans, such as microloans and emergency loans.

Key changes include:

- The Direct Operating Loan limit increased from \$300,000 to \$400,000, and the Guaranteed Operating Loan limit increased from \$ 1.429 million to \$1.75 million. Operating loans help producers pay for normal operating expenses, including machinery and equipment, seed, livestock feed, and more.
- The Direct Farm Ownership Loan limit increased from \$300,000 to \$600,000, and the Guaranteed Farm Ownership Loan limit increased from \$1.429 million to \$1.75 million. Farm ownership loans help producers become owner-operators of family farms as well as improve and expand current operations.
- Producers can now receive both a \$50,000 Farm Ownership Microloan and a \$50,000 Operating Microloan. Previously, microloans were limited to a combined \$50,000. Microloans provide flexible access to credit for small, beginning, niche, and non-traditional farm operations.
- Producers who previously received debt forgiveness as part of an approved FSA restructuring plan are now eligible to apply for emergency loans. Previously, these producers were ineligible.

• Beginning and socially disadvantaged producers can now receive up to a 95 percent guarantee against the loss of principal and interest on a loan, up from 90 percent.

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 <u>www.fsa.usda.gov</u> or contact your <u>local USDA service</u> <u>center</u>.

Preauthorized Debit Available for Farm Loan Borrowers

USDA Farm Service Agency (FSA) has implemented pre-authorized debit (PAD) for Farm Loan Program (FLP) borrowers. PAD is a voluntary and alternative method for making weekly, bi-weekly, monthly, quarterly, semi-annual or annual payments on loans.

PAD payments are pre-authorized transactions that allow the National Financial and Accounting Operations Center (NFAOC) to electronically collect loan payments from a customer's account at a financial institution.

PAD may be useful for borrowers who use nonfarm income from regular wages or salary to make payments on loans or adjustment offers or for payments from seasonal produce stands. PAD can only be established for future payments.

To request PAD, customers, along with their financial institution, must fill out form RD 3550-28. This form has no expiration date, but a separate form RD 3550-28 must be completed for each loan to which payments are to be applied. A fillable form can be accessed on the USDA Rural Development (RD) website at http://www.rd.usda.gov/publications/regulations-guidelines. Click forms and search for "Form 3550-28."

If you have a "filter" on the account at your financial institution, you will need to provide the financial institution with the following information: Origination ID: 1220040804, Agency Name: USDA RD DCFO.

PAD is offered by FSA at no cost. Check with your financial institution to discuss any potential cost. Preauthorized debit has no expiration date, but you can cancel at any time by submitting a written request to your local FSA office. If a preauthorized debit agreement receives three payment rejections within a three month period, the preauthorized debt agreement will be cancelled by FSA. The payment amount and due date of your loan is not affected by a cancellation of preauthorized debit. You are responsible to ensure your full payment is made by the due date.

For more information about PAD, contact your local FSA office. To find a local FSA office, visit <u>http://offices.usda.gov</u>

ASKFSA

Are you looking for answers to your FSA questions? Then ASK FSA at **askfsa.custhelp.com**.

AskFSA is an online resource that helps you easily find information and answers to your FSA questions no matter where you are or what device you use. It is for ALL customers, including underserved farmers and ranchers who wish to be enrolled in FSA loans, farm, and conservation programs.

Through AskFSA you can:

- Access our knowledge base 24/7
- Receive answers to your questions faster
- Submit a question and receive a timely response from an FSA expert
- Get notifications when answers important to you and your farming operation are updated

Customize your account settings and view responses at any time.

Selected Interest rates for August 2019

- Farm Operating Loans Direct 2.875%
- Farm Ownership Loans Direct 3.625%
- Farm Ownership Loans Direct Down Payment, Beginning Farmer or Rancher 1.50%
- Emergency Loans 3.750%
- Farm Storage Facility Loans (3 years) 1.750%
- Farm Storage Facility Loans (5 years) 1.750%
- Farm Storage Facility Loans (7 years) 1.875%
- Farm Storage Facility Loans (10 years) 2.000%
- Farm Storage Facility Loans (12 years) 2.125%
- Sugar Storage Facility Loans (15 year term) 2.250%
- Commodity Loans 3.000%

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).