#### November 2017





### Farm Service Agency Electronic News Service

### NEWSLETTER

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#### Massachusetts FSA Newsletter

### Massachusetts Farm Service Agency

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### FSA Encourages Farmers to Vote in County Committee Elections

The 2017 Farm Service Agency County Committee Elections began on Nov. 6, when ballots were mailed to eligible voters. The deadline to return the ballots to local FSA offices is Dec. 4, 2017.

County committee members are an important component of the operations of FSA and provide a link between the agricultural community and USDA. Farmers elected to county committees help deliver FSA programs at the local level, applying their knowledge and judgment to make decisions on commodity price support programs; conservation programs; incentive indemnity and disaster programs for some commodities; emergency programs and eligibility. FSA committees operate within official regulations

Shelley Szawlowski-Smiarowski

Please contact your local FSA Office for questions specific to your operation or county at offices.usda.gov.

designed to carry out federal laws.

To be an eligible voter, farmers must participate or cooperate in an FSA program. A person who is not of legal voting age, but supervises and conducts the farming operations of an entire farm may also be eligible to vote.

Eligible voters in Massachusetts who do not receive a ballot can obtain one from their local USDA Service Center. Dec. 4, 2017, is the last day for voters to submit ballots in person to local USDA Service Centers. Ballots returned by mail must also be postmarked no later than Dec. 4. Newly elected committee members will take office Jan. 1, 2018.

More information on county committees, such as the new 2017 fact sheet, can be found on the FSA website at <a href="https://www.fsa.usda.gov/elections">www.fsa.usda.gov/elections</a> or at a local USDA Service Center.

# Transitioning Expiring CRP Land to Beginning, Veteran or Underserved Farmers

Retired or retiring landowners or operators are encouraged to transition their Conservation Reserve Program (CRP) acres to beginning, veteran or underserved farmers through the Transition Incentives Program (TIP). TIP provides annual rental payments to the retiring farmer for up to two additional years after the CRP contract expires, provided the transition is not to a family member.

Enrollment in TIP is on a continuous basis. Beginning, veteran or underserved farmers and retiring CRP participants may enroll in TIP beginning one year before the expiration date of the CRP contract or Aug. 15. For example, if a CRP contract is scheduled to expire on Sept. 30, 2018, the land may be offered for enrollment in TIP beginning Oct. 1, 2017, through Aug. 15, 2018. The Aug. 15 deadline allows the Natural Resources Conservation Service (NRCS) time to complete the TIP sustainable grazing or crop production conservation plans. The TIP application must be submitted prior to completing the lease or sale of the affected lands.

New landowners or renters must return the land to production using sustainable grazing or farming methods.

For more information on TIP, visit https://www.fsa.usda.gov/conservation.

# Malted Grains and Maple Syrup Eligible for Farm Storage Facility Loans

Malted small grains and maple syrup are now eligible for Farm Storage Facility Loans (FSFL) through the USDA Farm Service Agency (FSA).

FSFLs provide low-interest financing to producers to build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

The eligible commodities have been expanded to include malted small grains and maple syrup. Eligible malted small grains include barley, oats, rice, rye and wheat. Maple sap is used to produce maple syrup.

The low-interest funds can be used for:

- bottler or filling systems for maple syrup, excluding containers
- equipment to improve, maintain, or monitor the quality of stored FSFL commodities, such as cleaners, moisture testers, heat detectors, along with a proposed storage facility
- handling and drying equipment determined by the County Committee to be needed and essential to the proper functioning of a storage system
- electrical equipment, such as pumps, lighting, motors, and wiring, integral to the proper operation of the storage and handling equipment, excluding installing electric service to the electrical meter.

FSFLs are not available for the actual processing of the small grain into the malted commodity or maple sap into maple syrup. Additionally, purchased commodities are not eligible for FSFLs.

The following storage and handling equipment is ineligible for FSFLs:

- boiling equipment
- feed handling and processing equipment
- production and feed facilities
- structures of a temporary nature not having a useful life of the term of the loan
- maple sap tubing and pumping systems.

Loans up to \$50,000 can be secured by a promissory note/security agreement and loans between \$50,000 and \$100,000 may require additional security. Loans exceeding \$100,000 require additional security.

Producers do not need to demonstrate the lack of commercial credit availability to apply. The loans are designed to assist a diverse range of farming operations, including small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

To learn more about the FSA Farm Storage Facility Loan, visit <a href="www.fsa.usda.gov/pricesupport">www.fsa.usda.gov/pricesupport</a> or contact your local FSA office.

# **Environmental Review Required Before Project Implementation**

The National Environmental Policy Act (NEPA) requires Federal agencies to consider all potential environmental impacts for federally-funded projects before the project is approved.

For all Farm Service Agency (FSA) programs, an environmental review must be completed before actions are approved, such as site preparation or ground disturbance. These programs include, **but are not limited to**, the Emergency Conservation Program (ECP), Farm Storage Facility Loan (FSFL) program and farm loans. If project implementation begins before FSA has completed an environmental review, this will result in a denial of the request. There are exceptions regarding the Stafford Act and emergencies. It is important to wait until you receive written approval of your project proposal before starting any actions, including, but not limited to, vegetation clearing, site preparation or ground disturbance.

Remember to contact your local FSA office early in your planning process to determine what level of environmental review is required for your program application so that it can be completed timely.

Applications cannot be approved contingent upon the completion of an environmental review. FSA must have copies of all permits and plans before an application can be approved.

# **New Actively Engaged Provisions for Non-Family Joint Operations or Entities**

Many Farm Service Agency programs require all program participants, either individuals or legal entities, to be "actively engaged in farming". This means participants provide a significant contribution to the farming operation, whether it is capital, land, equipment, active personal labor and/or management. For entities, each partner, stockholder or member with an ownership interest, must contribute active personal labor and/or management to the operation on a regular basis.

The 2014 Farm Bill established additional payment eligibility provisions relating to the farm management component of meeting "actively engaged in farming". These new provisions apply to joint operations comprised of non-family members or partners, stockholders or persons with an ownership in the farming operation. Effective for 2016 and subsequent crop years, non-family joint operations are afforded to one member that may use a significant contribution of active personal management exclusively to meet the requirements to be determined "actively engaged in farming". The person or member will be defined as the Farm Manager for the purposes of administering these new management provisions.

In some instances, additional persons or members of a non-family member joint operation who meet the definition of Farm Manager may also be allowed to use such a contribution of active personal management to meet the eligibility requirements. However, under no circumstances may the number of Farm Managers in a non-family joint operation exceed a total of three in any given crop and program year.

#### **Policy Updates for Acreage Reporting**

The USDA Farm Service Agency (FSA) recently made several policy updates for acreage reporting for cover crops, revising intended use, late-filed provisions, grazing allotments as well as updated the definitions of "idle" and "fallow."

#### **Reporting Cover Crops:**

FSA made changes to the types of cover crops. Cover crop types can be chosen from the following four categories:

• Cereals and other grasses - Any cover gron that is classified as a grass plant or cereal

grain, and would include, but not be limited to, the following cover crops: cereal rye, wheat, barley, oats, black oats, triticale, annual ryegrass, pearl millet, foxtail millet (also called German, Italian or Hungarian millet), sorghum sudan grass, sorghum and other millets and grasses.

- **Legumes** Any cover crop that is classified as a legume, including, but not limited to, clovers, vetches, peas, sun hemp, cowpeas, lentils and other legumes.
- Brassicas and other broadleaves Any cover crop that is classified as a non-legume broadleaf, including, but not limited to, Brassicas such as radishes, turnips, canola, rapeseed, oilseed rape, and mustards, as well as other broadleaf plants such as phacelia, flax, sunflower, buckwheat, and safflower.
- **Mixtures** Mixes of two or more cover crop species planted at the same time, for example, oats and radishes. If the cover crop is harvested for any use other than forage or grazing and is not terminated according to policy guidelines, then that crop will no longer be considered a cover crop and the acreage report must be revised to reflect the actual crop.

#### Permitted Revision of Intended use After Acreage Reporting Date:

New operators or owners who pick up a farm after the acreage reporting deadline has passed and the crop has already been reported on the farm, have 30 days to change the intended use. Producer share interest changes alone will not allow for revisions to intended use after the acreage reporting date. The revision must be performed by either the acreage reporting date or within 30 calendar days from the date when the new operator or owner acquired the lease on land, control of the land or ownership and new producer crop share interest in the previously reported crop acreage. Under this policy, appropriate documentation must be provided to the County Committee's satisfaction to determine that a legitimate operator or ownership and producer crop share interest change occurred to permit the revision.

#### **Acreage Reports:**

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.

#### **Reporting Grazing Allotments:**

FSA offices can now accept acreage reports for grazing allotments. Producers will use form "FSA-578" to report grazing allotments as animal unit months (AUMs) using the "Reporting Unit" field. The local FSA office will need the grazing period start and end date and the percent of public land.

#### **Definitions of Terms**

FSA defines "idle" as cropland or a balance of cropland within a Common Land Unit (CLU) (field/subfield) which is not planted or considered not planted and does not meet the definition of fallow or skip row. For example, the balance of a field that could not be planted due to moisture or a turn area that is not planted would be reported as idle.

Fallow is considered unplanted cropland acres which are part of a crop/fallow rotation where cultivated land that is normally planted is purposely kept out of production during a regular growing season. Resting the ground in this manner allows it to recover its fertility and conserve moisture for crop production in the next growing season.

#### 2018 Acreage Reporting Dates

In order to comply with FSA program eligibility requirements, all producers are encouraged to visit their local FSA office to file an accurate crop certification report by the applicable deadline.

Acreage reporting dates vary by crop and by county so please contact your local FSA office for a list of county-specific deadlines.

The following exceptions apply to acreage reporting dates:

- If the crop has not been planted by the applicable acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is completed.
- If a producer acquires additional acreage after the applicable acreage reporting date, then the acreage must be reported no later than 30 calendars days after purchase or acquiring the lease. Appropriate documentation must be provided to the county office.
- If a perennial forage crop is reported with the intended use of "cover only," "green manure," "left standing," or "seed," then the acreage must be reported by July 15th. Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP covered crops is the earlier of the applicable dates or 15 calendar days before grazing or harvesting of the crop begins. For questions regarding crop certification and crop loss reports, please contact your local FSA office.

#### **Dairy Producers Can Enroll for 2018 Coverage**

#### Secretary Allows Producers to Opt Out

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) today announced that starting Sept. 1, 2017, dairy producers can enroll for 2018 coverage in the Margin Protection Program (MPP-Dairy). Secretary Sonny Perdue has utilized additional flexibility this year by providing dairy producers the option of opting out of the program for 2018.

To opt out, a producer should not sign up during the annual registration period. By opting out, a producer would not receive any MPP-Dairy benefits if payments are triggered for 2018. Full details will be included in a subsequent Federal Register Notice. The decision would be for 2018 only and is not retroactive.

The voluntary program, established by the 2014 Farm Bill, provides financial assistance to participating dairy producers when the margin – the difference between the price of milk and feed costs – falls below the coverage level selected by the producer.

MPP-Dairy gives participating dairy producers the flexibility to select coverage levels best suited for their operation. Enrollment ends on Dec. 15, 2017, for coverage in calendar year 2018. Participating farmers will remain in the program through Dec. 31, 2018, and pay a minimum \$100 administrative fee for 2018 coverage. Producers have the option of selecting a different coverage level from the previous coverage year during open enrollment.

Dairy operations enrolling in the program must meet conservation compliance provisions and cannot participate in the Livestock Gross Margin Dairy Insurance Program. Producers can mail the appropriate form to the producer's administrative county FSA office, along with applicable fees, without necessitating a trip to the local FSA office. If electing higher coverage for 2018, dairy producers can either pay the premium in full at the time of enrollment or pay 100 percent of the premium by Sept. 1, 2018. Premium fees may be paid directly to FSA or producers can work with

their milk handlers to remit premiums on their behalf.

USDA has a web tool to help producers determine the level of coverage under the MPP-Dairy that will provide them with the strongest safety net under a variety of conditions. The online resource, available at <a href="https://www.fsa.usda.gov/mpptool">www.fsa.usda.gov/mpptool</a>, allows dairy farmers to quickly and easily combine 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, Smartphone, tablet or any other platform, 24 hours a day, seven days a week.

For more information, visit FSA online at <a href="www.fsa.usda.gov/dairy">www.fsa.usda.gov/dairy</a> or stop by a local FSA office to learn more about the MPP-Dairy.

# USDA Encourages Producers to Consider 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. The 2014 Farm Bill expanded NAP to include higher levels of protection. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage, as well as discounted premiums for additional levels of protection."

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 <a href="https://webapp.rma.usda.gov/apps/actuarialinformationbrowser2017/CropCriteria.aspx">https://webapp.rma.usda.gov/apps/actuarialinformationbrowser2017/CropCriteria.aspx</a>.

NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production, with higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price, including coverage for organics and crops marketed directly to consumers.

Deadlines for coverage vary by state and crop. To learn more about NAP visit <a href="www.fsa.usda.gov/nap">www.fsa.usda.gov/nap</a> or contact your local USDA Service Center. To find your local USDA Service Centers go to <a href="http://offices.usda.gov">http://offices.usda.gov</a>.

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

#### **Tree Assistance Program (TAP) Sign-up**

Orchardists and nursery tree growers who experience losses from natural disasters during calendar

year 2016 must submit a TAP application either 90 calendar days after the disaster event or the date when the loss is apparent. 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.

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.

### **Census of Agriculture Countdown Begins for America's Farmers**

America's farmers will soon have the opportunity to strongly represent agriculture in their communities and industry by taking part in the 2017 Census of Agriculture. Conducted every five years by the U.S. Department of Agriculture's (USDA) National Agricultural Statistics Service (NASS), the census, to be mailed at the end of this year, is a complete count of all U.S. farms, ranches, and those who operate them.

The Census of Agriculture highlights land use and ownership, operator characteristics, production practices, income and expenditures, and other topics. The 2012 Census of Agriculture revealed that over three million farmers operated more than two million farms, spanning over 914 million acres. This was a four percent decrease in the number of U.S. farms from the previous census in 2007. However, agriculture sales, income, and expenses increased between 2007 and 2012. This telling information and thousands of other agriculture statistics are a direct result of responses to the Census of Agriculture.

Producers who are new to farming or did not receive a Census of Agriculture in 2012 still have time to sign up to receive the 2017 Census of Agriculture report form by visiting <a href="www.agcensus.usda.gov">www.agcensus.usda.gov</a> and clicking on the 'Make Sure You Are Counted' button through June. NASS defines a farm as any place from which \$1,000 or more of agricultural products were produced and sold, or normally would have been sold, during the census year (2017).

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