August 2018





Farm Service Agency Electronic News Service

NEWSLETTER

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- Deadline Approaches for Continuous Conservation Reserve Program Enrollment
- USDA Microloans
- USDA Commodity Loans Available
- Farm Storage Facility Loans
- FSA Offers Joint Financing Option on Direct Farm Ownership Loans
- Report Noninsured Crop Disaster Assistance Program (NAP) Losses

New York State FSA Newsletter

New York State Farm Service Agency

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Deadline Approaches for Continuous Conservation Reserve Program Enrollment

Producers Must File by August 17, One-Year Extension Available to Holders of Many Expiring Contracts

The deadline to sign up for enrollment in the Conservation Reserve Program (CRP) is **Friday**, **Aug. 17**, **2018**.

In return for enrolling land in CRP, FSA provides participants with annual rental payments and cost-share assistance to remove sensitive lands from production and plant certain grasses, shrubs and trees that improve water quality, prevent soil erosion and increase wildlife habitat. Landowners enter into contracts that last between 10 and 15 years.

For this year's signup, limited priority practices are available for continuous enrollment. These include grassed waterways, filter strips, riparian buffers, wetland restoration and others. <u>View a full list of practices.</u>

FSA will use <u>updated soil rental rates</u> to make annual rental payments, reflecting current values. It will not offer incentive payments as part of the new signup.

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

USDA will not open a general signup this year, however, a oneyear extension will be offered to existing CRP participants with expiring CRP contracts of 14 years or less.

Additionally, FSA established new <u>ranking criteria</u> for CRP grasslands. To guarantee all CRP grasslands offers are treated equally, applicants who previously applied (prior to the current signup period) will be asked to reapply using the new ranking criteria.

Producers wanting to apply for the CRP continuous signup or CRP grasslands should contact their USDA service center. To locate your local FSA office, visit https://www.farmers.gov. More information on CRP can be found at www.fsa.usda.gov/crp.

USDA Microloans

The U.S. Department of Agriculture (USDA) offers microloans for both farm operating and farm ownership expenses. Microloans provide up to \$50,000 and are especially helpful to beginning and underserved farmers looking for a career in farming, and those who have small and mid-sized farming operations.

The microloan program has been hugely successful, providing more than 16,800 low-interest loans, totaling over \$373 million to producers across the country. Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013. Seventy percent of loans have gone to new farmers.

Now, microloans are also available to help with farm land and building purchases, and soil and water conservation improvements. FSA designed the expanded program to simplify the application process, expand eligibility requirements and expedite smaller real estate loans to help farmers strengthen their operations. Microloans provide up to \$50,000 to qualified producers, and can be issued to the applicant directly from the USDA Farm Service Agency (FSA).

To learn more about the FSA microloan program visit www.fsa.usda.gov/microloans, or contact your local FSA office.

USDA Commodity Loans Available

U.S. Department of Agriculture (USDA) Farm Service Agency reminds producers that Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs) are available to help producers through periods of low market prices. The 2014 Farm Bill authorized MALs and LDPs for the 2014 to 2018 crop years.

MALs provide interim financing and allow producers to delay the sale of the commodity at harvesttime lows and wait until more favorable market conditions emerge. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available.

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, soybeans and other oilseeds, pulse crops, rice, peanuts, cotton, wool and honey.

Your local FSA office is now accepting requests for 2018 MALs and LDPs for all eligible commodities after harvest. Before MAL repayments and LDP disbursements can be made, producers must meet the requirements of actively engaged in farming, cash-rent tenant and member contribution. In order to meet eligibility requirements, producers must retain beneficial interest in the commodity, meaning they have control of the commodity or a title to the commodity, until the MAL is repaid or the Commodity Credit Corporation takes title to the commodity.

The 2014 Farm Bill also establishes payment limitations per individual or entity not to exceed \$125,000 annually on certain commodities for the following program benefits: Agriculture Risk

Coverage and Price Loss Coverage payments, Marketing Loan Gains and LDPs. These payment limitations do not apply to MAL disbursements.

Producers or legal entities whose total applicable three-year average adjusted gross income exceeds \$900,000 are not eligible for Marketing Loan Gains and LDPs, but are eligible for MALs repaid at principal plus interest.

For more information, please visit your local FSA office or www.fsa.usda.gov. To find your local USDA service center, visit www.farmers.gov.

Farm Storage Facility Loans

FSA's Farm Storage Facility Loan (FSFL) program provides 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 low-interest funds can be used to build or upgrade permanent facilities to store commodities. Eligible commodities include:

- Grain Crops
- Malted Small Grains
- Pulse Crops
- Hay & Forages
- Fruits, Nuts & Vegetables
- Milk, Butter, Cheese & Yogurt
- Meat, Poultry (unprocessed) & Eggs
- Honey
- Maple sap & syrup
- Hops
- Floriculture
- Renewable biomass crops
- Some Aquaculture

ELIGIBLE Facilities & Upgrades include:

- Grain Bins & Cribs, including drying and handling equipment
- Hay Storage, including pole barns
- Silage Bunks
- Cold Storage, including handling, washing & packing equipment
- Refrigeration/freezer units
- Milk Houses & Equipment, including bulk milk tanks
- Sap Tanks
- New & Used Trucks, including refrigerated trucks

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 www.fsa.usda.gov/pricesupport or contact your local FSA county office. To find your local FSA county office, visit http://offices.usda.gov.

FSA Offers Joint Financing Option on Direct Farm Ownership Loans

The USDA Farm Service Agency's (FSA) <u>Direct Farm Ownership loans</u> are a resource to help farmers and ranchers become owner-operators of family farms, improve and expand current operations, increase agricultural productivity, and assist with land tenure to save farmland for future generations.

Depending on the applicant's needs, there are three types of Direct Farm Ownership Loans: regular, down payment and joint financing. FSA also offers a <u>Direct Farm Ownership Microloan</u> option for smaller financial needs up to \$50,000.

Joint financing allows FSA to provide more farmers and ranchers with access to capital. FSA lends up to 50 percent of the total amount financed. A commercial lender, a State program or the seller of the property being purchased, provides the balance of loan funds, with or without an FSA guarantee. The maximum loan amount for a Joint Financing loan is \$300,000 and the repayment period for the loan is up to 40 years.

To be eligible, the operation must be an eligible farm enterprise. Farm Ownership loan funds cannot be used to finance nonfarm enterprises and all applicants must be able to meet general eligibility requirements. Loan applicants are also required to have participated in the business operations of a farm or ranch for at least three years out of the 10 years prior to the date the application is submitted. The applicant must show documentation that their participation in the business operation of the farm or ranch was not solely as a laborer.

For more information about FSA Loan programs, contact your local FSA office or visit www.fsa.usda.gov. To find your local FSA office, visit https://offices.usda.gov.

Report Noninsured Crop Disaster Assistance Program (NAP) Losses

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

Eligible producers must have purchased NAP coverage for 2018 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 www.fsa.usda.gov/nap.

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).



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