

October 2015

### Idaho Farm Service Agency

9173 West Barnes Drive Suite B Boise, ID 83709

#### www.fsa.usda.gov/id

### **State Committee**

Scott McLeod, Chair Bobbi Bodine Sherry Crutcher Matt Gellings Amy Manning

## **Executive Director**

Mark Samson

### Farm Loan Chief

Aaron Johnson

### Farm Program Chief

Jeff Mitchell

**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 <u>www.fsa.usda.gov/id</u> and select County Offices.

### **USDA Encourages Producers to Consider Risk Protection Coverage**

Disaster Assistance is Available for Crops that are Ineligible for Federal Insurance. The fruit crop deadline under federal crop insurance is November 20, 2015 and perennial crop deadline under NAP is December 1, 2015.

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.

Farm Service Agency encourages producers to examine the available U.S. Department of Agriculture (USDA) crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the sales deadlines. The following crops in Idaho have a NAP application deadline of December 1, 2015: perennial grass seed crops, all other perennial crops, annual planted mixed forage crops, and honey.

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 forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

USDA has partnered with Michigan State University and the University of Illinois to create an online tool at <u>www.fsa.usda.gov/nap</u> that allows producers to determine whether their crops are eligible for federal crop insurance or NAP and to explore the best level of protection for their operation. 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.

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.

### Producers are Reminded to Complete NASS Crop Surveys

The National Agricultural Statistics Service (NASS) Field Offices are currently completing 2015 small grain yield surveys and will contact growers in December to complete row crop yield surveys. If you are one of the producers contacted to complete a 2015 yield survey, we encourage your participation and cooperation as many USDA agencies including the Farm Service Agency (FSA) and Risk Management Agency (RMA) use the NASS yield data for their programs.SA uses NASS county yield data for farm credit, conservation, disaster programs, loan and commodity programs. Under the 2014 Farm Bill, FSA uses the NASS county yield data to calculate Agriculture Risk Coverage – County (ARC-CO) benchmark revenues and current year county revenues. For example, the 2014 NASS county yield, along with the crop's marketing year average price (MYA), are used to determine the county's current year revenue to determine if the county will trigger an ARC-CO payment. An ARC-CO payment is triggered for a county when the current year revenue falls below the guarantee revenue for the crop and crop year. In cases where NASS county yield data is not available, the FSA State Committee must determine a county yield using RMA yield data or the best available yield data, including assigning a county yield using neighboring county yields from NASS or RMA.

Any information that producers provide to NASS is kept confidential and protected by federal law. NASS publishes only aggregate-level data, ensuring that no individual operation or producer can be identified. All reports will be available at <u>www.nass.usda.gov</u>

## **Microloans**

Farm Service Agency (FSA) reminds farmers and ranchers that the FSA borrowing limit for microloans increased from \$35,000 to \$50,000, on Nov. 7, 2014. Microloans offer borrowers simplified lending with less paperwork.

The microloan change allows beginning, small and mid-sized farmers to access an additional \$15,000 in loans using a simplified application process with up to seven years to repay. Microloans are part of USDA's continued commitment to small and midsized farming operations.

To complement the microloan program additional changes to FSA eligibility requirements will enhance beginning farmers and ranchers access to land, a key barrier to entry level producers. FSA policies related to farm experience have changed so that other types of skills may be considered to meet the direct farming experience required for farm ownership loan eligibility. Operation or management of nonfarm businesses, leadership positions while serving in the military or advanced education in an agricultural field will now count towards the experience applicants need to show when applying for farm ownership loans. Important Note: Microloans cannot be used to purchase real estate.

Since 2010, more than 50 percent of USDA's farm loans now go to beginning farmers and FSA has increased its lending to targeted underserved producers by nearly 50 percent.

Please review the FSA Microloan Program Fact Sheet for program application, eligibility and related information.

# USDA Offers Help to Fire-Affected Farmers and Ranchers

The U.S. Department of Agriculture (USDA) reminds Idaho farmers and ranchers affected by the recent wildfires that USDA has programs to assist with their recovery efforts.

The Farm Service Agency (FSA) can assist farmers and ranchers who lost livestock, grazing land, fences or eligible trees, bushes and vines as a result of a natural disaster. FSA administers a suite of safety-net programs to help producers recover from eligible losses, including the Livestock Indemnity Program, the Livestock Forage Disaster Program, the Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program, and the Tree Assistance Program.

In addition, the FSA Emergency Conservation Program provides funding and technical assistance for farmers and ranchers to rehabilitate farmland damaged by natural disasters and for carrying out emergency water conservation measures in periods of severe drought. Producers located in counties that received a primary or contiguous disaster designation are eligible for low-interest emergency loans to help them recover from production and physical losses. Compensation is also available to producers who purchased coverage through the Noninsured Crop Disaster Assistance Program, which protects non-insurable crops against natural disasters that result in lower yields, crop losses or prevented planting. The Natural Resources Conservation Service (NRCS) can assist producers with damaged grazing land as well as farmers, ranchers and forestland owners who find themselves in emergency situations caused by natural disasters. The NRCS Environmental Quality Incentives Program provides financial assistance to producers who agree to defer grazing on damaged land for two years. In the event that presidentially declared natural disasters, such as wildfires, lead to imminent threats to life and property, NRCS can assist local government sponsors with the cost of implementing conservation practices to address natural resource concerns and hazards through the Emergency Watershed Protection Program.

Farmers and ranchers with coverage through the federal crop insurance program administered by the Risk Management Agency (RMA) should contact their crop insurance agent to discuss losses due to fire or other natural causes of loss. Crop insurance is sold and delivered solely through private crop insurance agents. A list of crop insurance agents is available at all USDA Service Centers and online at the RMA Agent Locator.

When wildfires destroy or severely damage residential property, Rural Development (RD) can assist with providing priority hardship application processing for single family housing. Under a disaster designation, RD can issue a priority letter for next available multi-family housing units. RD also provides low-interest loans to community facilities, water environmental programs, businesses and cooperatives and to rural utilities.

For the first time in its 110-year history, the Forest Service, part of USDA, is spending more than 50 percent of its budget to suppress the nation's wildfires.

Today, fire seasons are 78 days longer than in the 1970s. Since 2000, at least 10 states have had their largest fires on record. This year, there have been more than 46,000 fires. Increasing development near forest boundaries also drives up costs, as more than 46 million homes and more than 70,000 communities are at risk from wildfire in the United States.

Visit <u>http://go.usa.gov/3eDeF</u> to learn more about USDA disaster preparedness and response. For more information on USDA disaster assistance programs, please contact your local USDA Service Center. To find your local USDA Service Center go to <u>http://offices.usda.gov</u>

## 2016 Acreage Reporting of PRF and Perennial Forage (grass intended for grazing or hay)

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 for PRF/Perennial Forage. Programs that require certification of PRF and/or Perennial Forage include the Noninsured Crop Disaster Assistance Program (NAP), Livestock Forage Disaster Program (LFP) and the Agriculture Risk Coverage (ARC) and Price Loss Coverage Program (PLC). Perennial Forage includes but is not limited to grass, alfalfa, birdsfoot trefoil, clover and mixed forage intended for hay or grazing. PRF includes acreage insured as PRF with crop insurance.

The acreage reporting deadline for PRF/Perennial Forage is November 16, 2015.

The following exceptions apply to the above acreage reporting date:

- If the crop has not been planted by the above acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is complete.
- If a producer acquires additional acreage after the above 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.

NAP policy holders should note that the acreage reporting date for NAP covered crops is the earlier of the dates listed above or 15 calendar days before grazing or harvesting of the crop begins.

## Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program

The Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) provides emergency assistance to eligible livestock, honeybee, and farm-raised fish producers who have losses due to disease, adverse weather or other conditions, such as blizzards and wildfires, not covered by other agricultural disaster assistance programs.

Eligible livestock losses include grazing losses not covered under the Livestock Forage Disaster Program (LFP), loss of purchased feed and/or mechanically harvested feed due to an eligible adverse weather event, additional cost of transporting water because of an eligible drought and additional cost associated with gathering livestock to treat for cattle tick fever.

Eligible honeybee losses include loss of purchased feed due to an eligible adverse weather event, cost of additional feed purchased above normal quantities due to an eligible adverse weather condition, colony losses in excess of normal mortality due to an eligible weather event or loss condition, including CCD, and hive losses due to eligible adverse weather.

Eligible farm-raised fish losses include death losses in excess of normal mortality and/or loss of purchased feed due to an eligible adverse weather event.

Producers who suffer eligible livestock, honeybee, or farmraised fish losses from October 1, 2014 to September 30, 2015 must file:

- A notice of loss the earlier of 30 calendar days of when the loss is apparent or by November 1, 2015
- An application for payment by November 1, 2015

The Farm Bill caps ELAP disaster funding at \$20 million per federal fiscal year.

The following ELAP Fact Sheets (by topic) are available online:

- ELAP for Farm-Raised Fish Fact Sheet
- ELAP for Livestock Fact Sheet
- ELAP for Honeybees Fact Sheet

To view these and other FSA program fact sheets, visit the FSA fact sheet web page at <u>www.fsa.usda.gov/factsheets</u>.

## Livestock Indemnity Program (LIP)

The Livestock Indemnity Program (LIP) provides assistance to eligible producers for 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. LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to hurricanes, floods, blizzards, wildfires, extreme heat or extreme cold.

For 2015, eligible losses must occur on or after Jan. 1, 2015, and before December 31, 2015. A notice of loss must be filed with FSA within 30 days of when the loss of livestock is apparent. Participants must provide the following supporting documentation to their local FSA office no later than 30 calendar days after the end of the calendar year for which benefits are requested:

- Proof of death documentation
- Copy of growers contracts
- Proof of normal mortality documentation

USDA has established normal mortality rates for each type and weight range of eligible livestock, i.e. Adult Beef Cow = 1.5% and Non-Adult Beef Cattle (less than 400 pounds) = 3.9%. These established percentages reflect losses that are considered expected or typical under "normal" conditions. Producers who suffer livestock losses in 2015 must file both of the following:

- A notice of loss the earlier of 30 calendar days of when the loss was apparent or by January 30, 2016
- An application for payment by January 30, 2016.

## Livestock Forage Disaster Program

Many Idaho Producers are eligible to apply for 2015 Livestock Forage Disaster Program (LFP) benefits on small grain, native pasture, improved pasture, annual ryegrass, forage sorghum. 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. Thirty-three counties in Idaho meet the criteria as Primary Disaster Designation. View a map of eligible counties at www.fsa.usda.gov/id

County committees can only accept LFP applications after notification is received by the National Office of qualifying drought or if a federal agency prohibits producers from grazing normal permitted livestock on federally managed lands due to qualifying fire.

For 2015 and subsequent years, eligible livestock producers must complete a CCC-853 and the required supporting documentation no later than 30 calendar days after the end of the calendar year in which the grazing losses occurred. Losses must occur in the calendar year the application is being filed.

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

## **Unauthorized Disposition of Grain**

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.

### USDA Extends Dairy Margin Protection Program Deadline

The deadline to enroll for the dairy Margin Protection Program for coverage in 2016 has been extended until Nov. 20, 2015. The voluntary program, established by the 2014 Farm Bill, provides financial assistance to participating farmers when the margin – the difference between the price of milk and feed costs – falls below the coverage level selected by the farmer.

Producers are encouraged to use the online Web resource at www.fsa.usda.gov/mpptool to calculate the best levels of coverage for their dairy operation. The secure website can be accessed via computer, smartphone or tablet.

Producers who were enrolled in 2015 will need to make a coverage election for 2016 and pay the \$100 administration fee. Although any unpaid premium balances for 2015 must be paid in full by the enrollment deadline to remain eligible for higher coverage levels in 2016, premiums for 2016 are not due until Sept. 1, 2016. Also, producers can work with milk marketing companies to remit premiums on their behalf.

Payments under the program may be reduced by a certain percentage due to a sequester order required by Congress and issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985. Should a payment reduction be necessary, FSA will reduce the payment by the required amount.

Selected Interest Rates for November 2014		
Farm Operating Loans	2.625%	
Farm Ownership Loans	3.75%	
Farm Ownership (Direct Down Payment Beginning Farmer/Rancher	1.50%	
Emergency Loans	3.625%	
Farm Storage Facility Loans (7 yrs.)	2.125%	
Farm Storage Facility Loans (12 yrs.)	2.375%	

### DATES TO REMEMBER

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	Nov. 1	Filing deadline for ELAP applications
-	Nov. 15	Crop reporting deadline for Apiculture,
		Pasture, Rangeland and Forage
		(including mixed forages, grass hay,
		and Alfalfa for hay) Note: Not Alfalfa
		for seed.
	Nov. 20	Deadline for CRP Grasslands
		application
	Dec. 1	General CRP sign-up begins

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To file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at

http://www.ascr.usda.gov/complaint filing cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax at (202) 690-7442 or e-mail at program.intake@usda.gov. USDA is an equal opportunity provider and employer.