

July 2015



Indiana Farm Service Agency Program Updates

Indiana Farm Service Agency

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From the FSA Farm Fields

The wet-chilly-hot-humid summer is upon us. Indiana has experienced some unprecedented heavy rainfall events and flash flooding, and strange weather in several locations across the state. We, at FSA, know this has been a difficult growing season for all of you. We have been working closely and talking frequently with the Governor and Lt. Governor's offices through the Indiana State Department of Agriculture on this summer's rainfall events. I also want to thank our Members of Congress and U.S. Senators for their efforts of visiting personally with farmers about the damage to crops this summer. We are hopeful relief is in the near future.

There are many upcoming FSA deadlines. If you elected coverage in ARC or PLC, remember you must enroll in the program by September 30, 2015. Also, enrollment in the MPP program must be done by September 30th, too. For more information about these, or other FSA programs, read more in this newsletter or visit your local FSA office.

In Indiana Agriculture,

Julia A. Wickard

USDA Opens Enrollment Period for Agriculture Risk Coverage and Price Loss Coverage Safety-Net Programs

U.S. Department of Agriculture (USDA) announced that eligible producers may now formally enroll in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for 2014 and 2015. The enrollment period began June 17, 2015, and will end Sept. 30, 2015.

The new programs, established by the 2014 Farm Bill, trigger financial protections for agricultural producers when market forces cause substantial drops in crop prices or revenues. More than 1.76 million farmers have elected ARC or PLC. Previously, 1.7 million producers had enrolled to receive direct payments (the program replaced with ARC and PLC by the 2014 Farm Bill). This means more farms have elected ARC or PLC than previously enrolled under previously administered programs.

Nationwide, 96 percent of soybean farms, 91 percent of corn farms, and 66 percent of wheat farms elected ARC. For data about other crops and state-by-state program election results go to www.fsa.usda.gov/arc-plc.

Covered commodities under ARC and PLC include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium grain rice (which includes short grain and sweet rice), safflower seed, sesame, soybeans, sunflower seed and wheat. Upland cotton is no longer a covered commodity.

For more information please contact your local FSA office <https://offices.usda.gov>.

Enrollment for 2016 Dairy Margin Protection Program Started July 1

FSA announced that as of July 1, 2015, dairy farmers can enroll in [Margin Protection Program \(MPP\) for coverage in 2016](#). The voluntary program, established by the 2014 Farm Bill, provides financial assistance to participating dairy operations when the margin – the difference between the price of milk and feed costs – falls below the coverage level selected by the farmer.

The Margin Protection Program gives participating dairy producers the flexibility to select coverage levels best suited for their operation. Enrollment began July 1 and ends on Sept. 30, 2015, for coverage in 2016. Participating farmers will remain in the program through 2018 and pay a \$100 administrative fee each year. Producers also have the option of selecting a different coverage level during open enrollment each year. Margin Protection Program payments are based on an operation's historical production. An operation's historical production will increase by 2.61 percent in 2016 if the operation participated in 2015, providing a stronger safety net.

USDA also has an online resource available to help dairy producers decide which level of coverage will provide them with the strongest safety net under a variety of conditions. The enhanced Web tool, available at www.fsa.usda.gov/mpptool, allows dairy farmers to quickly and easily combine their 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, mobile phone, or tablet, 24 hours a day, seven days a week.

Dairy operations enrolling in the program must meet conservation compliance provisions. Producers participating in the Livestock Gross Margin insurance program may register for the Margin Protection Program, but this new margin program will only begin once their livestock dairy insurance coverage has ended. Producers must also submit form CCC-782 for 2016, confirming their Margin Protection Program coverage level selection, to the local Farm Service Agency (FSA) office. If electing higher coverage for 2016, dairy producers can either pay the premium in full at the time of enrollment or pay a minimum of 25 percent of the premium by Feb. 1, 2016.

For more information, visit FSA online at www.fsa.usda.gov/dairy, or stop by a local FSA office to learn more about the Margin Protection Program.

Timely Reporting Losses for NAP Assistance

Timely filing a Notice of Loss is required for all crops. For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP), producers must timely report damage or loss to their administrative County Office. For all low yield and value-loss crop claims, a CCC-576 Part B Notice of Loss must be filed within 15 calendar days of earlier of the date disaster occurs (or becomes apparent) or the normal harvest date. However, all producers should be aware that deadlines to provide initial notice to FSA do now vary by method of harvest and crop.

Crops that are either hand-harvested or other crops determined by FSA to deteriorate quickly and therefore need prompt appraisal must notify FSA within 72 hours of the date of damage or loss first becomes apparent. This initial notice may be by the filing of the CCC-576 Part B, e-mail, FAX, or a phone call. When initial notice is by email, FAX, or phone, County Offices will provide a Receipt for Service with additional requirements. A CCC-576 Notice of Loss will still be required within 15 calendar days of earlier of date of occurrence/appearance of damage or harvest date.

Other crops, such as forages and grains, continue to have the 15 day requirement to file a required CCC-576, Notice of Loss, to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. This Notice of Loss must be filed within 15 calendar days of the earlier of date of occurrence/appearance of damage or harvest date.

If filing for prevented planting, an acreage report and CCC-576 Part B must be filed within 15 calendar days of the final planting date for the crop.

Further, to receive NAP assistance for claimed losses producers **must** timely file an Application for Payment on CCC-576 (Parts D through H) along with all required production records. Each producer on the unit must file their own application for payment. The deadline to apply for payment is 60 calendar days after the end of coverage for the crop year on the unit. There are no late-file provisions for NAP Applications for Payment.

Prevented Planting and Failed Acreage Credit

Producers who wish to receive history credit for either prevented planting or failed acreage must file a notice of Loss with the Farm Service Agency.

Prevented planting acreage must be reported on form CCC-576, Notice of Loss, no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA).

The final planting date for corn in Indiana was June 5th and the final planting date for soybeans was June 20th (for both initial and double crop). The date to timely file a prevented planting request for corn and soybeans in Indiana has passed for 2015. However, producers may submit a late filed report. FSA will accept the report as timely if it was filed timely with crop insurance. If not, producers will be assessed a measurement service fee per farm and FSA will consider late filed requests dependent upon the assessment of the disaster condition during a farm visit.

Additionally, producers with failed acres should file this form to report acreage destroyed or damaged by disaster. This must be filed prior to destruction of the crop to provide FSA with an opportunity to inspect the acreage.

For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP) and crop insurance, producers must file a Notice of Loss within 15 days of the occurrence of the disaster or when losses become apparent. Additionally, many crops covered by NAP require an initial notification of loss be made to the FSA administrative office within 72 hours of loss occurrence or loss becoming apparent. Producers must timely file a Notice of Loss for failed acres on all crops including grasses to ensure the opportunity to receive acreage reporting history credit for the crop as well as potential program benefits.

2015 Acreage Reporting Dates

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

The following acreage reporting dates are applicable for Indiana:

January 2 - Honey

January 15 - Apples

June 15 - Cucumbers (Planted 5/1-5/31 in Knox County)

July 15 - Cucumbers (Planted 5/10-6/15 in all counties), all other crops

August 15 - Cucumbers (Planted 6/16-8/5 in Fulton, LaPorte, Porter, and St. Joseph Counties)

September 15 - Cucumbers (Planted 6/1-8/15 in Knox County)

September 30 - Value Loss and Controlled Environment Crop (for the coming program year)

December 15 - Fall Mint, Fall-Seeded Small Grains

The following exceptions apply to the above acreage reporting dates:

- 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 completed.
- If a producer acquires additional acreage after the above acreage reporting date, then the acreage must be reported no later than 30 calendar 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.
- Cucumbers and crops for NAP coverage may have dates not included on the chart above. Visit your local county office for details.

Noninsured Crop Disaster Assistance Program (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.

USDA Enhances Farm Storage Facility Loan Program

The U.S. Department of Agriculture (USDA) expanded the Farm Storage and Facility Loan program, which provides low-interest financing to producers. The enhanced program includes 22 new categories of eligible equipment for fruit and vegetable producers.

Producers with small and mid-sized operations, and specialty crop fruit and vegetable growers, now have access to needed capital for a variety of supplies including sorting bins, wash stations and other food safety-related equipment. A new more flexible alternative is also provided for determining storage needs for fruit and vegetable producers, and waivers are available on a case-by-case basis for disaster assistance or insurance coverage if available products are not relevant or feasible for a particular producer.

Additionally, Farm Storage Facility Loan security requirements have been eased for loans up to \$100,000. Previously, all loans in excess of \$50,000 and any loan with little resale value required a promissory note/security agreement and additional security, such as a lien on real estate. Now loans up to \$50,000 can be secured by only a promissory note/security agreement and some loans between \$50,000 and \$100,000 will no longer require additional security.

The low-interest funds can be used to build or upgrade permanent facilities to store commodities. Eligible commodities include grains, oilseeds, peanuts, pulse crops, hay, honey, renewable biomass commodities, fruits and vegetables. Qualified facilities include grain bins, hay barns and cold storage facilities for fruits and vegetables.

Contact your local FSA office or visit www.fsa.usda.gov for more about FSA programs and loans.

USDA Packages Disaster Protection with Loans to Benefit Specialty Crop and Diversified Producers

Free basic coverage and discounted premiums available for new and underserved loan applicants

U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) announced that producers who apply for FSA farm loans also will be offered the opportunity to enroll in new disaster loss protections created by the 2014 Farm Bill. The new coverage, available from the Noninsured Crop Disaster Assistance Program (NAP), is available to FSA loan applicants who grow non-insurable crops, so this is especially important to fruit and vegetable producers and other specialty crop growers.

New, underserved and limited income specialty growers who apply for farm loans could qualify for basic loss coverage at no cost, or higher coverage for a discounted premium.

The basic disaster coverage protects at 55 percent of the market price for crop losses that exceed 50 percent of production. Covered crops include “specialty” crops, for instance, vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, hay, forage, grazing and energy crops. FSA allows beginning, underserved or limited income producers

to obtain NAP coverage up to 90 days after the normal application closing date when they also apply for FSA credit.

In addition to free basic coverage, beginning, underserved or limited income producers are eligible for a 50 percent discount on premiums for the higher levels of coverage that protect up to 65 percent of expected production at 100 percent of the average market price. Producers also may work with FSA to protect value-added production, such as organic or direct market crops, at their fair market value in those markets. Targeted underserved groups eligible for free or discounted coverage are American Indians or Alaskan Natives, Asians, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, Hispanics, and women.

FSA offers a variety of loan products, including farm ownership loans, operating loans and microloans that have a streamlined application process.

Growers need not apply for an FSA loan, nor be a beginning, limited resource, or underserved farmer, to be eligible for Noninsured Crop Disaster Assistance Program assistance. To learn more, visit www.fsa.usda.gov/nap or www.fsa.usda.gov/farmloans, or contact your local FSA office at <https://offices.usda.gov>.

Microloans

Farm Service Agency (FSA) reminds farmers 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 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 non-farm 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 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).