

May 2016



Having trouble viewing this email? [View it as a Web page.](#)

- [USDA Establishes New Partnerships to Link Underserved Farmers to FSA Programs](#)
- [USDA Announces Conservation Reserve Program Results](#)
- [Acreage Reports Due July 15](#)
- [USDA Expands Safety-Net for Dairy Operations Adding Next-Generation Family Members](#)
- [Farm Storage Facility Loans](#)
- [Tree Assistance Program \(TAP\) Sign-up](#)
- [Average Adjusted Gross Income Compliance Reviews for 2011 through 2016](#)
- [Beginning Farmer Loans](#)

Kansas FSA Newsletter

Kansas Farm Service Agency

3600 Anderson Avenue
Manhattan, KS 66503

www.fsa.usda.gov/ks

State Committee:

Timothy Peterson
Nicholas Bowser
Louise Ehmke
Sharon Karr
Mark Treaster

State Executive Director:

Adrian J. Polansky

Executive Officer:

Jack Salava

Division Chiefs:

Terry Hawk

USDA Establishes New Partnerships to Link Underserved Farmers to FSA Programs

Minority, Women, New and Beginning, Military Veteran and Urban Producers to Receive Training and Information on Agency Services

USDA announced cooperative agreements with 55 partners to educate farmers and other producers that have been underserved by USDA programs historically about Farm Service Agency (FSA) programs that provide financial, disaster or technical support. Nearly \$2.5 million will go to nonprofits, associations, universities, and foundations that will provide training and information on agricultural best practices, local networking opportunities, and more.

FSA, which solicited applications last fall, received nearly 100 proposals that requested over \$9 million in funding. Cooperative agreements,

Rod Winkler
Robert White

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

encompassing more than 28 states, will be
between \$20,000 and \$75,000 each and several
involve multi-state or national efforts. A list of
awardees can be found at
www.fsa.usda.gov/outreach.

FSA also announced today that it is accepting
proposals for consideration in the second
evaluation period. Applications are due no later
than July 11, 2016. Projects not selected during
the first evaluation period will be reconsidered
during the second period. Additional information on
the funding solicitation and the related FSA
programs can be found at www.grants.gov using
reference number USDA-FSA-CA-2016-001. For
nonprofits and public institutions of higher
education that are considering participation, a
recording of the online informational session held
with stakeholders is posted on the web at
www.fsa.usda.gov/outreach.

USDA is also helping producers find an entry into
farming through urban agriculture opportunities
and the increasing consumer demand for locally-
produced items. Under this Administration, USDA
has invested more than \$1 billion in over 40,000
local and regional food businesses and
infrastructure projects. USDA is committed to
helping farmers, ranchers, and businesses access
the growing market for local and regional foods,
which was valued at \$12 billion in 2014 according
to industry estimates. More information on how
USDA investments are connecting producers with
consumers and expanding rural economic
opportunities is available in [Chapter IV](#) of [USDA
Results on Medium](#).

USDA Announces Conservation Reserve Program Results

More Than 800,000 Acres Selected Through Highly Competitive Application Rounds

USDA announced the enrollment of more than 800,000 acres in the Conservation Reserve Program (CRP). Through CRP, the U.S. Department of Agriculture (USDA) helps farmers offset the costs of restoring, enhancing and protecting certain grasses, shrubs and trees that improve water quality, prevent soil erosion and strengthen wildlife habitat. Farmers' and ranchers' participation in CRP continues to provide numerous benefits to our nation, including helping reduce emissions of harmful greenhouse gases and providing resiliency to future weather changes.

A nationwide acreage limit was established for this program in the 2014 Farm Bill, capping the total number of acres that may be enrolled at 24 million for fiscal years 2017 and 2018. At the same time, USDA has experienced a record demand from farmers and ranchers interested in participating in

the voluntary program. As of March 2016, 23.8 million acres were enrolled in CRP, with 1.7 million acres set to expire this fall.

Over three million acres have been offered for enrollment this year across the three main categories within CRP, with USDA's Farm Service Agency (FSA) receiving over 26,000 offers to enroll more than 1.8 million acres during the general enrollment period, and over 4,600 offers to enroll more than one million acres in the new CRP Grasslands program. Coming off a record-setting 2015 continuous enrollment of over 860,000 acres, more than 364,000 acres already have been accepted for 2016 in the CRP continuous enrollment, triple the pace of last year.

FSA will accept 411,000 acres in general enrollment, the most competitive selection in the history of the program, with the acreage providing record high conservation benefits. USDA selected offers by weighing environmental factors plus cost, including wildlife enhancement, water quality, soil erosion, enduring benefits, and air quality.

The results of the first-ever enrollment period for CRP Grasslands, FSA will also accept 101,000 acres in the program, providing participants with financial assistance for establishing approved grasses, trees and shrubs on pasture and rangeland that can continue to be grazed. More than 70 percent of these acres are diverse native grasslands under threat of conversion, and more than 97 percent of the acres have a new, veteran or underserved farmer or rancher as a primary producer. FSA continues to accept CRP Grasslands offers and will conduct another ranking period later this year.

Participants in CRP establish long-term, resource-conserving plant species, such as approved grasses or trees (known as "covers") to control soil erosion, improve water quality and develop wildlife habitat on marginally productive agricultural lands. In return, FSA provides participants with rental payments and cost-share assistance. Contract duration is between 10 and 15 years.

To learn more about FSA's conservation programs, visit www.fsa.usda.gov/conservation or contact a local FSA county office. To find your local FSA county office, visit <http://offices.usda.gov>.

Acreage Reports Due July 15

Producers can save time this year by completing all USDA acreage reports at your local Farm Service Agency office. Producers can report crop acreages to FSA and the data will be transmitted electronically to your crop insurance agent. Producers will need to sign both the FSA and crop insurance acreage reports. The 2016 final crop acreage reporting deadline for all Kansas counties is **July 15, 2016**.

Producers can avoid delays by reporting crop acreages as soon as planting is complete. Crops that must be reported by July 15 are corn, soybeans, grain sorghum, other spring-planted crops, and CRP. A total cropland acreage report is a requirement for FSA program eligibility. Contact your local County FSA Office as soon as you can to maintain program eligibility, or with any other questions regarding crop certification and crop loss reports.

USDA Expands Safety-Net for Dairy Operations Adding Next-Generation Family Members

Dairy farms participating in the Margin Protection Program (MPP) can now update their production history when an eligible family member joins the operation. The voluntary program, established by

the 2014 Farm Bill, protects participating dairy producers when the margin – the difference between the price of milk and feed costs – falls below levels of protection selected by the applicant.

The U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) published a final rule which makes these changes effective on April 13, 2016. Any dairy operation already enrolled in the MPP that had an intergenerational transfer occur will have an opportunity to increase the dairy operation's production history during the 2017 registration and annual coverage election period. The next election period begins on July 1, 2016, and ends on Sept. 30, 2016. For intergenerational transfers occurring on or after July 1, 2016, notification must be made to the FSA within 60 days of purchasing the additional cows. Each participating dairy operation is authorized one intergenerational transfer at any time of its choosing until 2018.

For \$100 a year, dairy producers can receive basic catastrophic protection that covers 90 percent of milk production at a \$4 margin coverage level. For additional premiums, operations can protect 25 to 90 percent of production history with margin coverage levels from \$4.50 to \$8, in 50 cent increments. Annual enrollment in the program is required in order to receive margin protection. The final rule also provides improved risk protection for dairy farmers that pay premiums to buy-up higher levels of coverage by clarifying that 90 percent of production is covered below the \$4 level even if a lower percentage was selected above the \$4 margin.

For more information, visit FSA online at www.fsa.usda.gov/dairy or stop by a local FSA office and ask about the Margin Protection Program. To find a local FSA office in your area, visit <http://offices.usda.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.

The low-interest funds can be used to build or upgrade permanent facilities to store commodities. Eligible commodities include corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds harvested as whole grain, pulse crops (lentils, chickpeas and dry peas), hay, honey, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple sap, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Qualified facilities include grain bins, hay barns and cold storage facilities for eligible commodities.

Loans up to \$50,000 can be secured by a promissory note/security agreement and some loans between \$50,000 and \$100,000 will no longer 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>.

Tree Assistance Program (TAP) Sign-up

Orchardists and nursery tree growers who experience losses from eligible 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 eligible 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 and nursery tree grower must suffer a qualifying tree, bush or vine loss in excess of 15 percent plus 3% (KS) adjustment for normal mortality for a total excess of 18% 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.

Average Adjusted Gross Income Compliance Reviews for 2011 through 2016

The AGI verification and compliance reviews for 2011 through 2016 are conducted on producers who the IRS indicated may have exceeded the adjusted gross income limitations described in [7 CFR 1400.500]. Based on this review, producers will receive determinations of eligibility or ineligibility.

If the producer is determined to have exceeded the average AGI limitation of \$900,000, receivables will be established for payments earned directly or indirectly by the producer subject to the \$900,000 limitation. The Kansas FSA Office has begun notifying producers selected for review. If you have any questions about the review process or determinations, please contact the Kansas FSA Office at 784-539-3531. Producers who receive initial debt notification letters may only appeal the amount of the debt to their local FSA office. Payment eligibility adverse determinations become administratively final 30 days from the date of the payment eligibility adverse determination letter and can only be reopened if exceptional circumstances exist that prevented the producer from timely filing the appeal.

Beginning Farmer Loans

FSA assists beginning farmers to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA

- Does not own a farm in excess of 30 percent of the county's average size farm. Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit www.fsa.usda.gov.

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).