

FSA Louisiana State Office  
For Immediate Release

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## **OCTOBER LOUISIANA FARM SERVICE AGENCY NEWSLETTER**

Louisiana FSA Public Website address:

[www.fsa.usda.gov/FSA/](http://www.fsa.usda.gov/FSA/)

### **USDA Farm Service Agency Announces Key Dates for New 2014 Farm Bill Safety Net Programs**

USDA announced key dates for farm owners and producers to keep in mind regarding the new 2014 Farm Bill established programs, Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC). The new programs, designed to help producers better manage risk, usher in one of the most significant reforms to U.S. farm programs in decades.

Dates associated with ARC and PLC that farm owners and producers need to know:

- Sept. 29, 2014 to Feb. 27, 2015: Land owners may visit their local Farm Service Agency office to update yield history and/or reallocate base acres.
- Nov. 17, 2014 to March 31, 2015: Producers make a one-time election of either ARC or PLC for the 2014 through 2018 crop years.
- Mid-April 2015 through summer 2015: Producers sign contracts for 2014 and 2015 crop years.
- October 2015: Payments for 2014 crop year, if needed.

USDA leaders will visit with producers across the country to share information and answer questions on the ARC and PLC programs.

USDA helped create online tools to assist in the decision process, allowing farm owners and producers to enter information about their operation and see projections that show what ARC and/or PLC will mean for them under possible future scenarios. The new tools are now available at [www.fsa.usda.gov/arc-plc](http://www.fsa.usda.gov/arc-plc). Farm owners and producers can access the online resources from the convenience of their home computer or mobile device at any time.

Covered commodities 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 rice), safflower seed, sesame, soybeans, sunflower seed and wheat. Upland cotton is no longer a covered commodity.

Producers can contact their local FSA office for more information or to schedule an appointment.

### **USDA Reminds Farmers of 2014 Farm Bill Conservation Compliance Changes**

The 2014 Farm Bill implements a change that requires farmers to have a Highly Erodible Land Conservation and Wetland Conservation Certification (Form AD-1026) on file.

For farmers to be eligible for premium support on their federal crop insurance, a completed and signed Form AD-1026 certification must be on file with the FSA. The Risk Management Agency (RMA), through the Federal Crop Insurance Corporation (FCIC), manages the federal crop insurance program that provides the modern farm safety net for American farmers and ranchers.

Since enactment of the 1985 Farm Bill, eligibility for most commodity, disaster, and conservation programs has been linked to compliance with the highly erodible land conservation and wetland conservation provisions. The 2014 Farm Bill continues the requirement that producers adhere to conservation compliance guidelines to be eligible for most programs administered by FSA

and NRCS. This includes most financial assistance such as the new price and revenue protection programs, the Conservation Reserve Program, the Livestock Disaster Assistance programs and Marketing Assistance Loans and most programs implemented by FSA. It also includes the Environmental Quality Incentives Program, the Conservation Stewardship Program, and other conservation programs implemented by NRCS.

Many FSA and Natural Resource Conservation Service (NRCS) programs already have implemented this requirement and therefore most producers should already have a Form AD-1026 on file for their associated lands. If however, a Form AD-1026 has not been filed or is incomplete then farmers are reminded of the deadline of June 1, 2015.

When a farmer completes and submits Form AD-1026 certification, the FSA and NRCS staff will review the associated farm records and outline any additional actions that may be required to meet the required compliance with the conservation compliance provisions.

FSA recently released a revised Form AD-1026, which is available at USDA Service Centers and online at: [www.fsa.usda.gov](http://www.fsa.usda.gov). USDA will publish a rule later this year that will provide details outlining the connection of conservation compliance with crop insurance premium support. Producers can also contact their local USDA Service Center for information. A listing of service center locations is available at [www.nrcs.usda.gov](http://www.nrcs.usda.gov).

### **USDA Announces New Support for Beginning Farmers and Ranchers**

*Department Implementing New Farm Bill Programs, Unveiling New Centralized Online Resource to Support Next Generation of Farmers*

USDA has announced the implementation of new Farm Bill measures and other policy changes to improve the financial security of new and beginning farmers and ranchers. USDA also unveiled [www.USDA.gov/newfarmers](http://www.USDA.gov/newfarmers), a new website that will provide a centralized, one-stop resource where beginning farmers and ranchers

can explore the variety of USDA initiatives designed to help them succeed.

USDA's [www.usda.gov/newfarmers](http://www.usda.gov/newfarmers) has in-depth information for new farmers and ranchers, including: how to increase access to land and capital; build new market opportunities; participate in conservation opportunities; select and use the right risk management tools; and access USDA education, and technical support programs. These issues have been identified as top priorities by new farmers. The website will also feature instructive case studies about beginning farmers who have successfully utilized USDA resources to start or expand their business operations.

Today's policy announcements in support of beginning farmers and ranchers include:

- Waiving service fees for new and beginning farmers or ranchers to enroll in the Non-Insured Crop Disaster Assistance Program (NAP) for the 2014 crop year. NAP provides risk management tools to farmers who grow crops for which there is no crop insurance product. Under this waiver, announced via an [official notice](#) to Farm Service Agency offices, farmers and ranchers who are already enrolled in NAP for the 2014 crop year and certified to being a beginning farmer or social disadvantaged farmer are eligible for a service fee refund.
- Eliminating payment reductions under the [Conservation Reserve Program](#) (CRP) for new and beginning farmers which will allow routine, prescribed, and emergency grazing outside the primary nesting season on enrolled land consistent with approved conservation plans. Previously, farmers and ranchers grazing on CRP land were subject to a reduction in CRP payments of up to 25 percent. Waiving these reductions for new and beginning farmers will provide extra financial support during times of emergencies like drought and other natural disasters.

- Increasing payment rates to beginning farmers and ranchers under Emergency Assistance for [Livestock, Honeybees and Farm-Raised Fish Program \(ELAP\)](#). Under this provision, beginning farmers can claim up to 90 percent of losses for lost livestock, such as bees, under ELAP. This is a fifty percent increase over previously available payment amounts to new and beginning farmers.

In the near future, USDA will also announce additional crop insurance program changes for beginning farmers and ranchers – including discounted premiums, waiver of administrative fees, and other benefits.

Additional information about USDA actions in support of beginning farmers and ranchers is available [here](#).

### **USDA's Farm Service Agency (FSA) Offers Farm Bill Website and Online Overview of Farm Bill Programs**

The Agricultural Act of 2014 (the Act), also known as the 2014 Farm Bill, was signed by President Obama on Feb. 7, 2014. The Act repeals certain programs, continues some programs with modifications, and authorizes several new programs administered by the Farm Service Agency (FSA). Most of these programs are authorized and funded through 2018.

For the latest on 2014 Farm Bill programs administered by FSA, please visit our Farm Bill website at [www.fsa.usda.gov/farmbill](http://www.fsa.usda.gov/farmbill) and for an FSA program overview please read, download and/or print our recently posted FSA Farm Bill Fact Sheet titled, [What's in the 2014 Farm Bill for Farm Service Agency Customers?](#)

For more information on FSA, please contact your local USDA Service Center or visit us online at [www.fsa.usda.gov](http://www.fsa.usda.gov).

### **USDA Farm Service Agency Reminds Producers: Farm Bill Allows Early Termination for Certain CRP Contracts**

The Farm Service Agency reminds producers with acres under contract through the Conservation Reserve Program (CRP) that they can apply for early contract termination, as required by the 2014 Farm Bill. The deadline to request early CRP contract termination is Jan. 30, 2015.

This is a unique opportunity to request early termination afforded by the 2014 Farm Bill. The earliest effective date for this early termination is October 1, 2014. The requesting CRP contract must have been in effect for at least five years and additional eligibility conditions must be met to qualify. The 2014 Farm Bill identifies a list of 10 exceptions whereby land will not be eligible for the early termination provisions. For a complete list of these exceptions, please view the program fact sheet online at [http://www.fsa.usda.gov/Internet/FSA\\_File/crp\\_opt\\_out\\_fact\\_sht.pdf](http://www.fsa.usda.gov/Internet/FSA_File/crp_opt_out_fact_sht.pdf).

Once a CRP contract termination request is approved by the FSA County Committee, the decision may not be reversed and the terminated contract will not be reinstated. Once the land is no longer considered under the CRP contract all participants must meet HEL/WC and other conservation compliance provisions for all associated lands.

For more information or to verify eligibility for early termination (opt-out) for existing CRP contracts, please contact your local FSA office. For local FSA Service Center contact information, please visit: <http://offices.sc.egov.usda.gov/locator/app>.

### **2014 MAL and LDP Requests**

The USDA Farm Service Agency (FSA) is accepting requests for marketing assistance loans (MALs) and loan deficiency payments (LDPs) for eligible 2014 commodities.

MALs and LDPs for the 2014 crop year become available to eligible producers beginning with harvest/shearing season and extending through a specific commodity's final loan availability date. Sugar commodity loans for the 2014 crop will be

available to sugar processors beginning Oct. 1, 2014.

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, rice, peanuts, cotton, wool, mohair and honey. MALs provide producers interim financing after harvest to help them meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows. 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. Marketing loan provisions and LDPs are not available for sugar and extra-long staple cotton.

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: price loss coverage payments, agriculture risk coverage payments, marketing loan gains (MLGs) and LDPs. These payment limitations do not apply to MAL loan disbursements.

Adjusted Gross Income (AGI) provisions were modified by the 2014 Farm Bill, which states that a producer whose total applicable three-year average AGI exceeds \$900,000 is not eligible to receive an MLG or LDP.

National and county loans rates for 2014 crops are posted on the FSA website at:  
[www.fsa.usda.gov/pricesupport](http://www.fsa.usda.gov/pricesupport).

For more information, please visit a nearby USDA Service Center or FSA's website  
[www.fsa.usda.gov](http://www.fsa.usda.gov).

### **USDA Enhances Farm Storage Facility Loan Program**

The U.S. Department of Agriculture (USDA) today announced the expansion of 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](http://www.fsa.usda.gov) for more about FSA programs and loans, including the Farm Storage Facility Loan Program.

### **Breaking New Ground**

Agricultural producers are reminded to consult with FSA and NRCS before breaking out new ground for production purposes as doing so without prior authorization may put a producer's federal farm program benefits in jeopardy. This is especially true for land that must meet Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions.

Producers with HEL determined soils are required to apply tillage, crop residue and rotational requirements as specified in their conservation plan.

Producers should notify FSA as a first point of contact prior to conducting land clearing or drainage type projects to ensure the proposed actions meet compliance criteria such as clearing any trees to create new cropland, then these areas will need to be reviewed to ensure such work will not risk your eligibility for benefits.

Landowners and operators must complete the Form AD-1026 - Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification to identify the proposed action and allow FSA to determine whether a referral to Natural Resources Conservation Service (NRCS) for further review is necessary.

### **Land Contract (LC) Guarantees**

The Land Contract (LC) Guarantee Program is a valuable tool to transfer farm real estate to the next generation of farmers and ranchers. Guarantees will be offered to the owner of a farm who wishes to sell real estate through a land contract to a beginning or socially disadvantaged farmer or rancher. The guarantee reduces the financial risk to the seller.

FSA offers two types of guarantees:

- Prompt Payment Guarantee - A guarantee up to the amount of three amortized annual installments plus the cost of any related real estate taxes and insurance.
- Standard Guarantee - A guarantee of 90 percent of the outstanding principal balance under the land contract.

The guarantee period is 10 years and the contract payments must be amortized for a minimum of 20 years. The purchase price of the farm cannot exceed the lesser of \$500,000 or the market value of the property.

For additional information you can read the [Land Contract Guarantee Program Fact Sheet](#).

### **Save Time – Make an Appointment with FSA**

As we roll out the Farm Bill programs administered by FSA, there will be related signups and in some cases multiple management decisions that need to be made by you, the producer, in consult with FSA staff. To insure maximum use of your time and to insure that you are afforded our full attention to your important business needs, please call our office ahead of your visit to set an appointment and to discuss any records or documentation that you may need to have with you when you arrive for your appointment. For local FSA Service Center contact information, please visit:

<http://offices.sc.egov.usda.gov/locator/app> .

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