

December 2015



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Louisiana FSA Newsletter

Louisiana FSA State Office

3737 Government Street
Alexandria, LA 71302

www.fsa.usda.gov/la

State Executive Director:
Craig A. McCain

Next State Committee Meeting:
To be determined

Please contact your local FSA Office for questions specific to your operation or parish.

USDA Service Centers will be closed on Friday, Dec. 25 and Friday, Jan. 1 for Christmas and New Year's Holidays.

Message from Craig A. McCain, FSA State Executive Director

My how time flies when you are busy and having fun! I am not sure that farmers and ranchers have had much fun during 2015, but they along with many employees at USDA have certainly been extremely busy. Lower prices, heavy rainfall, flooding, drought and most recently, more heavy rainfall, have made this a difficult crop year. However, as we close out 2015 and as 2016 fast approaches, we are again reminded of the opportunities that the year-end offers. Recognizing that lower crop prices will require extra attention to all financial planning and economic decisions in 2016; it is extremely important that farm operations, large and small, gather and organize financial records and analyze their current situation in order to make plans for 2016 as soon as possible. FSA is currently offering the opportunity to enroll acreage in the Conservation Reserve Program.

In addition, December offers an opportunity to celebrate the Holiday Season. We hope that you, your family and friends will take time to enjoy this very special Holiday Season!

Thank you for providing so much for so many!

USDA Begins 49th Enrollment Period for the Conservation Reserve Program

December 2015 Marks 30th Anniversary for the Nation's Most Successful Voluntary Conservation Program

Farmers and ranchers are reminded that the next general enrollment period for the Conservation Reserve Program (CRP) began Dec. 1, 2015, and ends on Feb. 26, 2016. December 2015 also marks the 30th anniversary of CRP, a federally funded program that assists agricultural producers with the cost of restoring, enhancing and protecting certain grasses, shrubs and trees to improve water quality, prevent soil erosion and reduce loss of wildlife habitat.

As of September 2015, 24.2 million acres were enrolled in CRP. CRP also is protecting more than 170,000 stream miles with riparian forest and grass buffers, enough to go around the world 7 times. For an interactive tour of CRP success stories from across the U.S., visit www.fsa.usda.gov/CRPis30, or follow on Twitter at #CRPis30.

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. At times when commodity prices are low, enrolling sensitive lands in CRP can be especially attractive to farmers and ranchers, as it softens the economic hardship for landowners at the same time that it provides ecological benefits. Contract duration is between 10 and 15 years. The long-term goal of the program is to re-establish native plant species on marginal agricultural lands for the primary purpose of preventing soil erosion and improving water quality and related benefits of reducing loss of wildlife habitat.

Contracts on 1.64 million acres of CRP are set to expire on Sept. 30, 2016. Producers with expiring contracts or producers with environmentally sensitive land are encouraged to evaluate their options under CRP.

Since it was established on Dec. 23, 1985, CRP has:

- Prevented more than 9 billion tons of soil from eroding, enough soil to fill 600 million dump trucks;
- Reduced nitrogen and phosphorous runoff relative to annually tilled cropland by 95 and 85 percent respectively;
- Sequestered an annual average of 49 million tons of greenhouse gases, equal to taking 9 million cars off the road.

Since 1996, CRP has created nearly 2.7 million acres of restored wetlands.

For more information FSA conservation programs, visit a local FSA office or www.fsa.usda.gov/conservation. To find your local FSA office, visit <http://offices.usda.gov>.

USDA Encourages Producers to Consider Risk Protection Coverage before Crop Sales Deadlines

The Farm Service Agency encourages producers to examine available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the applicable crop sales deadline.

Producers are reminded that crops not covered by insurance may be eligible for the Noninsured Crop Disaster Assistance Program (NAP). 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.

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 perennial grass 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 www.fsa.usda.gov/nap 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.

Deadlines for coverage vary by state and crop. To learn more about NAP visit www.fsa.usda.gov/nap or contact your local USDA Service Center. To find your local USDA Service Centers go to <http://offices.usda.gov>.

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: <http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#>. Producers can use the USDA Cost Estimator, <https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx>, to predict insurance premium costs.

Filing CCC-941 Adjusted Gross Income (AGI) Certifications

Many producers have experienced delays in receiving Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments, Loan Deficiency Payments (LDPs) and Market Gains on Marketing Assistance Loans (MALs) because they have not filed form CCC-941, Adjusted Gross Income Certification. LDPs will not be paid until all eligible producers, including landowners who share in the crop, have filed a valid CCC-941.

Producers without a valid CCC-941 certifying their compliance with the average adjusted gross income provisions will not receive payments that have been processed. All farm operator/tenants/owners who have not filed a CCC-941 and have pending payments should IMMEDIATELY file the form with their recording county FSA office. Farm operators and tenants are encouraged to ensure that their landowners have filed the form. FSA has been issuing 2014 ARC/PLC payments, 2015 LDPs and Market Gains.

FSA can accept the CCC-941 for 2014, 2015 and 2016. Producers must have the CCC-941 certifying their AGI compliance before any payments can be issued.

Direct Loan Program

FSA offers direct farm ownership and direct farm operating Loans to producers who want to establish, maintain or strengthen their farm or ranch. FSA loan officers process, approve and service direct loans.

Direct farm operating loans can be used to purchase livestock and feed, farm equipment, fuel, farm chemicals, insurance and other costs including family living expenses. Operating loans can also be used to finance minor improvements or repairs to buildings and to refinance some farm-related debts, excluding real estate.

Direct farm ownership loans can be used to purchase farmland, enlarge an existing farm, construct and repair buildings, and to make farm improvements.

The maximum loan amount for both direct farm ownership and operating loans is \$300,000 and a down payment is not required. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your local FSA office for more information or to apply for a direct farm ownership or operating loan.

Guaranteed Loan Program

FSA guaranteed loans allow lenders to provide agricultural credit to farmers who do not meet the lender's normal underwriting criteria. Farmers and ranchers apply for a guaranteed loan through a lender, and the lender arranges for the guarantee. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. Guaranteed loans can be used for both farm ownership and operating purposes.

Guaranteed farm ownership loans can be used to purchase farmland, construct or repair buildings, develop farmland to promote soil and water conservation or to refinance debt.

Guaranteed operating loans can be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance and other operating expenses.

FSA can guarantee farm ownership and operating loans up to \$1,399,000. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your lender or local FSA farm loan office for more information on guaranteed loans.

ASKFSA

Are you looking for answers to your FSA questions? Then ASK FSA at askfsa.custhelp.com.

AskFSA is an online resource that helps you easily find information and answers to your FSA questions no matter where you are or what device you use. It is for ALL customers, including underserved farmers and ranchers who wish to be enrolled in FSA loans, farm, and conservation programs.

Through AskFSA you can:

- Access our knowledge base 24/7
 - Receive answers to your questions faster
 - Submit a question and receive a timely response from an FSA expert
 - Get notifications when answers important to you and your farming operation are updated
 - Customize your account settings and view responses at any time
-

Selected Interest Rates for December 2015

- 90-Day Treasury Bill — .125%
- Farm Operating Loans — Direct 2.375%
- Farm Ownership Loans — Direct 3.75%
- Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher 1.50%
- Emergency Loans — 3.375%
- Farm Storage Facility Loans (7 year term) — 2.00%
- Farm Storage Facility Loans (10 year term) — 2.250%
- Farm Storage Facility Loans (12 year term) — 2.375%
- Sugar Storage Facility Loans (15 year term) — 2.500%
- Commodity Loans — 1.275%

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).