



# NEWSLETTER



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Rhode Island Service  
Agency

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## USDA Announces \$210 Million to be Invested in Renewable Energy Infrastructure through the Biofuel Infrastructure Partnership

*21 States and Private Partners Match Federal Funds to Expand Infrastructure and Increase Fuel Options for Consumers*

USDA is partnering with 21 states through the Biofuel Infrastructure Partnership (BIP) to nearly double the number of fueling pumps nationwide that supply renewable fuels to American motorists. In May 2015, USDA announced the availability of \$100 million in grants through the BIP, and that to apply states and private partners match the federal funding by a 1:1 ratio. USDA received applications requesting over \$130 million, outpacing the \$100 million that is available. With the matching commitments by state and private entities, the BIP is investing a total of \$210 million to strengthen the rural economy.

The 21 states participating in the BIP include Colorado, Florida, Illinois, Indiana, Iowa, Kansas, Louisiana, Maryland, Michigan, Minnesota, Missouri, Nebraska, North Carolina, North Dakota, Ohio, Pennsylvania, South Dakota, Texas, Virginia, West Virginia, and Wisconsin. The amount awarded to each state is available at: [www.fsa.usda.gov/programs-and-services/energy-programs/bip/index](http://www.fsa.usda.gov/programs-and-services/energy-programs/bip/index). The final awards being announced today are estimated to expand infrastructure by nearly 5,000 pumps at over 1,400 fueling stations.

A typical gas pump delivers fuel with 10 percent ethanol, which limits the amount of renewable energy that consumers can purchase. The new partnership will increase the number of pumps, storage and related infrastructure that offer higher blends of ethanol, such as E15, E85, and even intermediate combination blends.

USDA's Office of the Chief Economist just released a comprehensive report on ethanol. The report, titled U.S. Ethanol: An Examination of Policy, Production, Use, Distribution, and Market Interactions, brings clarity to the complex interaction of ethanol production with agricultural markets and government policies. The corn ethanol industry is the largest biofuel producer in the country, with production increasing from about 1.6 billion gallons in 2000 to just over 14 billion gallons in 2014, stimulating economic activity in rural communities. Visit [www.usda.gov/oce/reports/energy/EthanolExamination102015.pdf](http://www.usda.gov/oce/reports/energy/EthanolExamination102015.pdf) to read the complete report.

BIP is administered by the USDA Farm Service Agency. For more information, visit [www.fsa.usda.gov/programs-and-services/energy-programs/index](http://www.fsa.usda.gov/programs-and-services/energy-programs/index).

## USDA Issues Safety-Net Payments to Farmers Facing Market Downturn

USDA's Farm Service Agency (FSA) has announced that beginning today, nearly one half of the 1.7 million farms that signed up for either the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs will receive safety-net payments for the 2014 crop year.

Unlike the old direct payments program, which paid farmers in good years and bad, the 2014 Farm Bill authorized a new safety-net that protects producers only when market forces or adverse weather cause unexpected drops in crop prices or revenues.

Example: The corn price for 2014 is 30 percent below the historical benchmark price used by the ARC-County program, and revenues of the farms participating in the ARC-County program are down by about \$20 billion from the benchmark during the same period. The nearly \$4 billion provided today by the ARC and PLC safety-net programs will give assistance to producers where revenues dropped below normal.”

The ARC/PLC programs primarily allow producers to continue to produce for the market by making payments on a percentage of historical base production, limiting the impact on production decisions.

Nationwide, 96 percent of soybean farms, 91 percent of corn farms, and 66 percent of wheat farms elected the ARC-County coverage option. Ninety-nine percent of long grain rice and peanut farms, and 94 percent of medium grain rice farms elected the PLC option. Overall, 76 percent of participating farm acres are protected by ARC-County, 23 percent by PLC, and 1 percent by ARC-Individual. For data about other crops, as well as state-by-state program election results, final PLC price and payment data, and other program information including frequently asked questions, visit [www.fsa.usda.gov/arc-plc](http://www.fsa.usda.gov/arc-plc).

Crops receiving assistance include barley, corn, grain sorghum, lentils, oats, peanuts, dry peas, soybeans, and wheat. In the upcoming months, disbursements will be made for other crops after marketing year average prices are published by USDA's National Agricultural Statistics Service. Any disbursements to participants in ARC-County or PLC for long and medium grain rice (except for temperate Japonica rice) will occur in November, for remaining oilseeds and also chickpeas in December, and temperate Japonica rice in early February 2016. ARC-individual payments will begin in November. Upland cotton is no longer a covered commodity.

The Budget Control Act of 2011, passed by Congress, requires USDA to reduce payments by 6.8 percent. For more information, producers are encouraged to visit their local Farm Service Agency office. To find a local Farm Service Agency office, visit <http://offices.usda.gov>.

## New USDA Commitments to Help Build Up Next Generation of Farmers and Ranchers

The U.S. Department of Agriculture today announced a commitment by the U.S. Department of Agriculture (USDA) to prioritize \$5.6 billion over the next two years within USDA programs and services that serve new and beginning farmers and ranchers. Deputy Secretary Harden also announced a new, tailored web tool designed to connect burgeoning farm entrepreneurs with programs and resources available to help them get started.

The new web tool is available at [www.usda.gov/newfarmers](http://www.usda.gov/newfarmers). The site was designed based on feedback from new and beginning farmers and ranchers around the country, who cited unfamiliarity with programs and resources as a challenge to starting and expanding their operations. The site features advice and guidance on everything a new farm business owner needs to know, from writing a business plan, to obtaining a loan to grow their business, to filing taxes as a new small business owner. By answering a series of questions about their operation, farmers can use the site's Discovery Tool to build a personalized set of recommendations of USDA programs and services that may meet their needs.

Using the new web tool and other outreach activities, and operating within its existing resources, USDA has set a new goal of increasing beginning farmer and rancher participation by an additional 6.6 percent across key USDA programs, which were established or strengthened by the 2014 Farm Bill, for a total investment value of approximately \$5.6 billion. Programs were targeted for expanded outreach and commitment based on their impact on expanding opportunity for new and beginning farmers and ranchers, including starting or expanding an operation, developing new markets, supporting more effective farming and conservation practices, and having access to relevant training and education opportunities. USDA will provide quarterly updates on its progress towards meeting its goal. A full explanation of the investment targets, benchmarks and outcomes is available at: [BFR-Commitment-Factsheet](#).

As the average age of the American farmer now exceeds 58 years, and data shows that almost 10 percent of farmland in the continental United States will change hands in the next five years, we have no time to lose in getting more new farmers and ranchers established. Equally important is encouraging young people to pursue careers in industries that support American agriculture. According to an employment outlook report released by USDA's National Institute of Food and Agriculture (NIFA) and Purdue University, one of the best fields for new college graduates is agriculture. Nearly 60,000 high-skilled agriculture job openings are expected annually in the United States for the next five years, yet only 35,000 graduates with a bachelor's degree or higher in agriculture related fields are expected to be available to fill them. The report also shows that women make up more than half of the food, agriculture, renewable natural resources, and environment higher education graduates in the United States. USDA recently released a series of fact sheets showcasing the impact of women in agriculture nationwide.

Today's announcement builds on USDA's ongoing work to engage its resources to inspire a strong next generation of farmers and ranchers by improving access to land and capital; building market opportunities; extending conservation opportunities; offering appropriate risk management tools; and increasing outreach and technical support. To learn more about USDA's efforts, visit the [Beginning Farmers and Ranchers Results Page](#).

## **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) today 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](http://www.fsa.usda.gov/nap) or [www.fsa.usda.gov/farmloans](http://www.fsa.usda.gov/farmloans), or contact your local FSA office at <https://offices.usda.gov>.

### **Farm Safety**

Flowing grain in a storage bin or gravity-flow wagon is like quicksand — it can kill quickly. It takes less than five seconds for a person caught in flowing grain to be trapped.

The mechanical operation of grain handling equipment also presents a real danger. Augers, power take offs, and other moving parts can grab people or clothing.

These hazards, along with pinch points and missing shields, are dangerous enough for adults; not to mention children. It is always advisable to keep children a safe distance from operating farm equipment. Always use extra caution when backing or maneuvering farm machinery. Ensure everyone is visibly clear and accounted for before machinery is engaged.

FSA wants all farmers to have a productive crop year and that begins with putting safety first.

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).