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Topics for August

- [USDA Announces Conservation Incentives for Working Grass, Range and Pasture Lands](#)
- [Reporting Organic Crops](#)
- [USDA Designates Counties in Puerto Rico as Primary Natural Disaster Areas](#)
- [Enrollment for 2016 Dairy Margin Protection Program Began July 1](#)
- [USDA Program Helps Offset Transportation Costs for Farmers and Ranchers in Alaska, Hawaii, the Commonwealth of Puerto Rico and other U.S. Territories](#)
- [Filing a Notice of Loss](#)
- [Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program \(ELAP\)](#)
- [Livestock Indemnity Program \(LIP\)](#)
- [2011, 2012, 2013 and 2014 Average Adjusted Gross Income Compliance Reviews](#)
- [Dairy Indemnity Payment Program](#)
- [Save Time – Make an Appointment with FSA](#)
- [USDA Packages Disaster Protection with Loans to Benefit Specialty Crop and Diversified Producers](#)
- [Agricultural Producers in Puerto Rico Still Have Time to Apply for Direct Farm Ownership Loan Program](#)
- [Microloans](#)
- [Youth Loans](#)
- [Beginning Farmer Loans](#)
- [Loans for Targeted Underserved Producers](#)

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

**USDA Announces Conservation Incentives for
Working Grass, Range and Pasture Lands**

Beginning Sept. 1, farmers and ranchers can apply for financial assistance to help conserve working grasslands, rangeland and pastureland while maintaining the areas as livestock grazing lands.

The initiative is part of the voluntary Conservation Reserve Program (CRP), a federally funded program that for 30 years has assisted 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. In return, the U.S. Department of Agriculture (USDA) provides participants with rental payments and cost-share assistance. CRP has helped farmers and ranchers prevent more than 8 billion tons of soil from eroding, reduce nitrogen and phosphorous runoff relative to cropland by 95 and 85 percent respectively, and even sequester 43 million tons of greenhouse gases annually, equal to taking 8 million cars off the road.

The CRP-Grasslands initiative will provide participants who establish long-term, resource-conserving covers with annual rental payments up to 75 percent of the grazing value of the land. Cost-share assistance also is available for up to 50 percent of the covers and other practices, such as cross fencing to support rotational grazing or improving pasture cover to benefit pollinators or other wildlife. Participants may still conduct common grazing practices, produce hay, mow, or harvest for seed production, conduct fire rehabilitation, and construct firebreaks and fences.

With the publication of the CRP regulation today, the Farm Service Agency will accept applications on an ongoing basis beginning Sept. 1, 2015, with those applications scored against published ranking criteria, and approved based on the competitiveness of the offer. The ranking period will occur at least once per year and be announced at least 30 days prior to its start. The end of the first ranking period will be Nov. 20, 2015.

To learn more about participating in CRP-Grasslands or SAFE, visit www.fsa.usda.gov/crp or consult with the local Farm Service Agency county office. To locate a nearby Farm Service Agency office, visit <http://offices.usda.gov>. To learn more about the 30th anniversary of CRP, visit www.fsa.usda.gov/CRPis30 or follow on Twitter using #CRPis30.

Reporting Organic Crops

Producers who want to use the Noninsured Crop Disaster Assistance Program (NAP) organic price and selected the "organic" option on their NAP application must report their crops as organic.

When certifying organic acres, the buffer zone acreage must be included in the organic acreage.

Producers must also provide a current organic plan, organic certificate or documentation from a certifying agent indicating an organic plan is in effect. Documentation must include:

- name of certified individuals
- address
- telephone number
- effective date of certification
- certificate number
- list of commodities certified

- name and address of certifying agent
- a map showing the specific location of each field of certified organic, including the buffer zone acreage

Certification exemptions are available for producers whose annual gross agricultural income from organic sales totals \$5,000 or less. Although exempt growers are not required to provide a written certificate, they are still required to provide a map showing the specific location of each field of certified organic, transitional and buffer zone acreage.

For questions about reporting organic crops, contact your local FSA office. To find your local office, visit <http://offices.usda.gov>.

USDA Designates Counties in Puerto Rico as Primary Natural Disaster Areas

The U.S. Department of Agriculture (USDA) has designated **Arroyo-Caguas-Canovanas-Carolina-Cayey-Cidra-Corozal-Fajardo-Guayama-Gurabo-Juncos-Las Piedras-Luquillo-Maunabo-Patillas-Rio Grande-Salinas-San Lorenzo-Trujillo Alto and Yabucoa** counties in Puerto Rico as primary natural disaster areas due to damages and losses caused by a recent drought.

Farmers and ranchers in the following counties in Puerto Rico also qualify for natural disaster assistance because their counties are contiguous. Those counties are:

Aguas Buenas-Aibonito-Arroyo-Barranquitas-Ceiba-Coamo-Comerio-Humacao-Loiza-Morovis-Naguabo-Naranjito-Orocovis-San Juan-Santa Isabel-Toa Alta-Vega Alta

All counties listed above were designated natural disaster areas, making all qualified farm operators in the designated areas eligible for low interest emergency (EM) loans from USDA's Farm Service Agency (FSA), provided eligibility requirements are met. Farmers in eligible counties have eight months from the date of the declaration to apply for loans to help cover part of their actual losses. FSA will consider each loan application on its own merits, taking into account the extent of losses, security available and repayment ability. FSA has a variety of programs, in addition to the EM loan program, to help eligible farmers recover from adversity.

Interested farmers may contact their local USDA Service Centers for further information on eligibility requirements and application procedures for these and other programs. Additional information is also available online at <http://disaster.fsa.usda.gov/>.

Enrollment for 2016 Dairy Margin Protection Program Began July 1

FSA announced that starting July 1, 2015, dairy farmers can enroll in Margin Protection Program 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 begins 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 for more information, or stop by a local FSA office to learn more about the Margin Protection Program. To find a local FSA office in your area, visit <http://offices.usda.gov>.

USDA Program Helps Offset Transportation Costs for Farmers and Ranchers in Alaska, Hawaii, the Commonwealth of Puerto Rico and other U.S. Territories

The U.S. Department of Agriculture (USDA) announced that beginning July 20, farmers and ranchers residing outside the contiguous continental United States can enroll in the

Reimbursement Transportation Cost Payment Program (RTCP) for fiscal year 2015. Applicants must submit their application to their administrative county FSA office by Sept. 11, 2015. Applicants will have until Nov. 2, 2015, to provide supporting documentation.

The 2014 Farm Bill reauthorized the program, which offsets a portion of the costs of transporting agricultural products over long distances. The program allows farmers and ranchers in Alaska, Hawaii and insular areas including the Commonwealth of Puerto Rico, Guam, American Samoa, Commonwealth of Northern Mariana Islands, Virgin Islands of the United States, Federated States of Micronesia, Republic of the Marshall Islands and Republic of Palau, to recover transportation costs.

Payments are calculated based on the costs incurred for transportation of the agricultural commodity or inputs, subject to an \$8,000 per producer cap per federal fiscal year. In the event that claims for payments exceed the funds available from the program for a fiscal year, payments will be reduced on a pro-rata basis.

For more information on the RTCP program, farmers and ranchers in the eligible areas can visit their FSA county office or the FSA website at www.fsa.usda.gov/pricesupport. To find your local FSA county office, visit <http://offices.usda.gov>.

Filing a Notice of Loss

The CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. Timely filing a Notice of Loss is required for all crops including grasses. For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP), you must file a CCC-576, Notice of Loss, in the FSA County Office within 15 days of the occurrence of the disaster or when losses become apparent.

Producers of hand-harvested crops must notify FSA of damage or loss through the administrative County Office within 72 hours of the date of damage or loss first becomes apparent. This notification can be provided by filing a CCC-576, email, fax or phone. Producers who notify the County Office by any method other than by filing the CCC-576 are still required to file a CCC-576, Notice of Loss, within the required 15 calendar days.

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

Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program (ELAP)

The Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) provides emergency assistance to eligible livestock, honeybee, and farm-raised fish producers who have losses due to disease, adverse weather or other conditions, such as blizzards and wildfires, not covered by other agricultural disaster assistance programs.

Eligible livestock losses include grazing losses not covered under the Livestock Forage Disaster

Program (LFP), loss of purchased feed and/or mechanically harvested feed due to an eligible adverse weather event, additional cost of transporting water because of an eligible drought and additional cost associated with gathering livestock to treat for cattle tick fever.

Eligible honeybee losses include loss of purchased feed due to an eligible adverse weather event, cost of additional feed purchased above normal quantities due to an eligible adverse weather condition, colony losses in excess of normal mortality due to an eligible weather event or loss condition, including CCD, and hive losses due to eligible adverse weather.

Eligible farm-raised fish losses include death losses in excess of normal mortality and/or loss of purchased feed due to an eligible adverse weather event.

Producers who suffer eligible livestock, honeybee, or farm-raised fish losses from October 1, 2014 to September 30, 2015 must file:

- A notice of loss the earlier of 30 calendar days of when the loss is apparent or by November 1, 2015
- An application for payment by November 1, 2015

The Farm Bill caps ELAP disaster funding at \$20 million per federal fiscal year.

The following ELAP Fact Sheets (by topic) are available online:

- ELAP for Farm-Raised Fish Fact Sheet
- ELAP for Livestock Fact Sheet
- ELAP for Honeybees Fact Sheet

To view these and other FSA program fact sheets, visit the FSA fact sheet web page at www.fsa.usda.gov/factsheets.

Livestock Indemnity Program (LIP)

The Livestock Indemnity Program (LIP) provides assistance to eligible producers for livestock death losses in excess of normal mortality due to adverse weather and attacks by animals reintroduced into the wild by the federal government or protected by federal law. LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to hurricanes, floods, blizzards, wildfires, extreme heat or extreme cold.

For 2015, eligible losses must occur on or after Jan. 1, 2015, and before December 31, 2015. A notice of loss must be filed with FSA within 30 days of when the loss of livestock is apparent. Participants must provide the following supporting documentation to their local FSA office no later than 30 calendar days after the end of the calendar year for which benefits are requested:

- Proof of death documentation

- Copy of growers contracts
- Proof of normal mortality documentation

USDA has established normal mortality rates for each type and weight range of eligible livestock, i.e. Adult Beef Cow = 1.5% and Non-Adult Beef Cattle (less than 400 pounds) = 3%. These established percentages reflect losses that are considered expected or typical under “normal” conditions. Producers who suffer livestock losses in 2015 must file both of the following:

- A notice of loss the earlier of 30 calendar days of when the loss was apparent or by January 30, 2016
- An application for payment by January 30, 2016.

Additional Information about LIP is available at your local FSA office or online at:

www.fsa.usda.gov.

2011, 2012, 2013 and 2014 Average Adjusted Gross Income Compliance Reviews

The AGI verification and compliance reviews for 2011, 2012, 2013 and 2014 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 Puerto Rico FSA Office has begun notifying producers selected for review. If you have any questions about the review process or determinations, please contact the Puerto Rico FSA Office at 787-294-1613. 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.

Dairy Indemnity Payment Program

The 2014 Farm Bill authorized the extension of the Dairy Indemnity Payment Program (DIPP) through September 30, 2018. DIPP provides payments to dairy producers and manufacturers of dairy products when they are directed to remove their raw milk or products from the market because of contamination.

Save Time – Make an Appointment with FSA

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>.

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 or www.fsa.usda.gov/farmloans, or contact your local FSA office at <https://offices.usda.gov>.

Agricultural Producers in Puerto Rico Still Have Time to Apply for Direct Farm Ownership Loan

Program

Low-Interest Loans Can Help Producers Start or Expand Farms

The U.S. Department of Agriculture (USDA) Puerto Rico Farm Service Agency (FSA) today announced that farmers and ranchers still have time to apply for low interest loans available through the FSA direct farm ownership program. Applications must be approved by Sept. 30, 2015, to take advantage of the funding available.

Eligible farmers and ranchers can borrow up to \$300,000 to buy farmland, construct or repair buildings, pay closing costs, or promote soil and water conservation. The interest rate can be as low as 1.5 percent with up to 40 years to repay.

New farmers and ranchers, military veterans, and underserved farmers and ranchers also are encouraged to apply. Each year Congress targets 80 percent of available loan funds to beginning and targeted underserved farmers and ranchers. Targeted underserved groups include American Indians or Alaskan Natives, Asians, Blacks or African Americans, Native Hawaiians, or other Pacific Islanders, Hispanics and women.

For more information about farm loan, visit www.fsa.usda.gov/farmloans, or contact your local FSA office. To find your local FSA county office, visit <https://offices.usda.gov>.

Microloans

Farm Service Agency (FSA) reminds farmers and ranchers 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 and ranchers 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.

Youth Loans

The Farm Service Agency makes loans to youth to establish and operate agricultural income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5000.

Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the youth loan applicant, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms.

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.

Loans for Targeted Underserved Producers

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or to purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, FSA has provided priority funding for members of targeted underserved applicants.

A targeted underserved applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, targeted underserved groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

Selected Interest Rates For August 2015:

Farm Operating Loans Direct - 2.625%

Farm Ownership Loans Direct - 4.000%

Farm Ownership Loans Direct Down Payment, Beginning Farmer or Rancher - 1.500%

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