

June 2015



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

North Dakota FSA eNews

North Dakota Farm Service Agency

1025 28th St S
Fargo, ND 58103
Phone: 701-239-5224
Fax: 855-813-6644

State Executive Director:
Aaron Krauter

State Committee (STC)
Marcy Svenningsen, Chairperson
Todd Hall, Member
Lynn Jacobson, Member
Marie Marshall, Member
Lucy Matejcek, Member

State Office Staff
Administrative Officer
Russell Bubach
Compliance/Payment Limitations
Bryan Olschlager
Conservation/Livestock
Brad Olson
ARC/PLC/NAP/Disaster
Dale Ihry
Farm Loan Programs
Curt Thoreson
Price Support
Brian Haugen

Find Your Local Office

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

- [From the State Executive Director](#)
- [Direct Farm Ownership Loans](#)
- [USDA Packages Disaster Protection with Loans to Benefit Specialty Crop and Diversified Producers](#)
- [Secretary Vilsack Announces Additional 800,000 Acres Dedicated to Conservation Reserve Program for Wildlife Habitat and Wetlands](#)
- [General CRP Reminders](#)
- [2015 Crop - Notice of Loss](#)
- [2015 Acreage Reporting](#)
- [Commodity Loan Repayments](#)
- [Bank Account Changes](#)
- [Margin Protection Program - Dairy](#)
- [Important Dates and Deadlines](#)
- [June Loan and Interest Rates](#)

From the State Executive Director

North Dakota is heading for another great year! The USDA drought monitor maps are indicating that moisture is back and the drought has left the great plains. Today the June sun is bringing some heat and many fields and pastures are starting to look really good. Our county offices are busy with acreage reporting and will soon be ready to take ARC/PLC annual enrollments and our loan officers are doing farm visits. It's a busy time for FSA and it's going to be another great year for production agriculture in North Dakota.

Have a great day!

Aaron Krauter, State Executive Director

Direct Farm Ownership Loans

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.

[Back to top](#)

USDA Packages Disaster Protection with Loans to Benefit Specialty Crop and Diversified Producers

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

[Back to top](#)

Secretary Vilsack Announces Additional 800,000 Acres Dedicated to Conservation Reserve Program for Wildlife Habitat and Wetlands

Agriculture Secretary Tom Vilsack announced that an additional 800,000 acres of highly environmentally sensitive land may be enrolled in Conservation Reserve Program (CRP) under certain wetland and wildlife initiatives that provide multiple benefits on the same land.

USDA will accept new offers to participate in CRP under a general signup to be held Dec. 1, 2015, through Feb. 26, 2016. Eligible existing program participants with contracts expiring Sept. 30, 2015, will be granted an option for one-year extensions. Farmers and ranchers interested in removing sensitive land from agricultural production and planting grasses or trees to reduce soil erosion, improve water quality and restore wildlife habitat are encouraged to enroll.

For 30 years, the Conservation Reserve Program 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 voluntary Conservation Reserve Program allows USDA to contract with agricultural producers so that environmentally sensitive land is conserved. Participants establish long-term, resource-conserving plant species to control soil erosion, improve water quality and develop wildlife habitat. In return, USDA's Farm Service Agency (FSA) provides participants with rental payments and cost-share assistance. Contract duration is between 10 and 15 years.

CRP protects water quality and restores significant habitat for ducks, pheasants, turkey, quail, deer and other important wildlife which spurs economic development like hunting and fishing, outdoor recreation and tourism across rural America. Today's announcement allows an additional 800,000 acres for duck nesting habitat and other wetland and wildlife habitat initiatives to be enrolled in the program.

Farmers and ranchers should consider the various CRP continuous sign-up initiatives that may help target specific resource concerns. Financial assistance is offered for many practices including conservation buffers and pollinator habitat plantings, and initiatives such as the highly erodible lands, bottomland hardwood tree and longleaf pine.

Farmers and ranchers may visit their FSA county office for additional information. The 2014 Farm Bill authorized the enrollment of grasslands in CRP and information on grasslands enrollment will be available after the regulation is published later this summer.

[Back to top](#)

General CRP Reminders

CRP participants are reminded to notify their local FSA County Office when there are ownership or operator changes on an applicable CRP contract. If there is a change in ownership, whether it is the result of a sale of land or death of a CRP participant, the successor to the CRP contract has 60 calendar days in which to complete the succession to the contract. It is very important that current CRP owners and/or operators inform their local FSA County Office timely of such changes so the County Office can update the CRP contract(s) so the annual rental payments can be issued to the correct participant.

Furthermore, CRP participants are to timely inform their local FSA County Office of any acreage

that needs to be terminated from a CRP contract for activities such as oil well development, gravel pits, housing developments, and so on. CRP acreages that no longer provide approved vegetative cover must be terminated from the CRP contract and refunds of annual rental payments, SIP, PIP and cost-share payments may be required.

CRP participants are reminded that the period between April 15 and August 1 is the Primary Nesting and Brood Rearing Season (PNS). CRP acreages shall not be accessed during this time, as various types of wildlife are using the acreage to nest and/or raise their young. However, if weed control is necessary during this period, CRP participants must receive approval from the local FSA County Office prior to conducting spot-treatment. Only affected areas within the specific CRP field shall be accessed during the PNS to control weeds. All other maintenance activities shall take place outside of the PNS.

[Back to top](#)

2015 Crop - Notice of Loss

Producers with a NAP policy should file a notice of loss if they believe their crops have suffered a yield loss. In addition, if a producer is going to abandon a crop with NAP coverage, the crop must be appraised prior to destruction of the acreage to ensure coverage. Producers with NAP coverage on grazing land should also file a notice of loss if they have suffered a loss in grazing capacity on pastures.

[Back to top](#)

2015 Acreage Reporting

Acreage reports must be filed for all cropland on the farm before any 2015 Price Loss Coverage (PLC) or Agricultural Risk Coverage (ARC) payments can be made or before eligibility can be established for marketing assistance loans and Loan Deficiency Payments (LDPs). Participants of the Conservation Reserve Program (CRP) and the Non-insured Assistance Program (NAP) must report the specific acreage for which benefits are being requested.

The deadline for submitting a timely filed acreage report for the 2015 crop year is July 15, 2015. Producers are reminded that filing an accurate acreage report for all crops and land uses, including failed acreage and prevented planting acreage, can prevent the loss of benefits for a variety of programs.

Producers who request prevented planting acreage credit must report the acreage and complete a CCC-576, Notice of Loss, within 15 calendar days after the final planting date for the respective crop as established by RMA or FSA. Producers must establish to the satisfaction of the County Committee that all cropland that was feasible to plant and prevented from being planted was affected by a natural disaster rather than a management decision. Additionally, producers are required to prove that preliminary efforts to plant the crop are evident, such as disking the land or orders for purchase or delivery of seed and fertilizer.

Producers requesting failed acreage credit must report the acreage before disposition of the crop to receive credit for that crop. The County Committee must be satisfied that the acreage was planted under normal conditions, but failed as a result of a natural disaster and not a management decision.

[Back to top](#)

Commodity Loan Repayments

Outstanding commodity loans can be repaid at any time at principal plus interest. Market rate loan repayments can be made on nonrecourse loans prior to loan maturity, when the market repayment rate is less than principal plus interest. Currently, there are no grain, oilseed or pulse crop commodities with a market repayment rate less than principal plus interest. Matured loans cannot be repaid at the market repayment rate.

If the sales proceeds are needed to repay the loan, a marketing authorization (CCC-681-1) can be requested. The request can either be made in person or by telephone. The terms of the marketing authorization can be either 15 or 30 calendar days. All parties who signed the note are responsible for repaying the loan. If the buyer does not repay the loan as required by the marketing authorization, CCC will make demand for repayment on the producers who signed the note. If a market repayment option is available, the option cannot be used after loan maturity or when the buyer does not remit repayment within 15 days of the expiration date of the marketing authorization.

[Back to top](#)

Bank Account Changes

Current FSA policy mandates that payments be electronically transferred into your bank account. In order for timely payments to be made, producers need to notify the FSA county office if your account has been changed or if another financial institution purchases your bank. Payments can be delayed if the FSA office is not aware of updates to your account and routing numbers.

[Back to top](#)

Margin Protection Program - Dairy

The registration and cover election period for MPP-Dairy for calendar year 2016 will be held July 1 through September 30, 2015.

For dairy operations that registered and elected coverage for 2014/2015 must select the level of coverage for 2016 during the aforementioned period, as MPP-Dairy is a multi-year obligation between CCC and the dairy operation. Dairy operations that did not participate in MPP-Dairy may register their production history and select coverage for 2016 during this same period.

MPP-Dairy offers protection to dairy producers when the difference between the all milk price and the average feed cost (the margin) falls below a certain dollar amount selected by the producer.

Catastrophic Coverage (CAT) of \$4.00 margin coverage level at 90 percent of the established production history requires no premium payment, but the dairy operation must pay the \$100 administrative fee.

For increased protection, dairy operations may annually select a percentage of coverage from 25 to 90 percent of the established production history in five percent increments and a coverage level threshold from \$4.50 to \$8.00 in \$.50 increments.

Coverage election must be made prior to the end of the annual election period. After the initial year of registration, failure to make an election results in the coverage level defaulting to the CAT level of 90 percent at \$4.00 margin. Dairy operations may only select one coverage level percentage and coverage level threshold for the applicable calendar year. All producers in the participating dairy operation with a share and risk in the milk marketing must agree to the coverage elected on the contract.

A web tool is available that will allow dairy producers to use data unique to their specific operation, combined with other variables, to test a variety of financial scenarios before eventually enrolling in the new MPP-Dairy. The web tool is located at: <http://www.fsa.usda.gov/mpptool>

[Back to top](#)

Important Dates and Deadlines

July 1 - MPP-Dairy Registration/Election Begins
July 15 - Acreage Reporting Deadline for 2015 Crop Year
September 30 - MPP-Dairy Registration/Election Ends
December 1 - General CRP Signup Begins

[Back to top](#)

June Loan and Interest Rates

Commodity Loans - 1.250%
Operating Loans - 2.375%
Farm Ownership Loans - 3.500%
Farm Ownership - Down Payment Loans - 1.50%
Emergency - Amount of Actual Loss - 3.375%
Farm Storage Facility Loan, 7-Year - 1.875%
Farm Storage Facility Loan, 10-Year - 2.125%
Farm Storage Facility Loan, 12-Year - 2.250%

[Back to top](#)

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).