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Farm Service Agency **Electronic News Service**

NEWSLETTER

GovDelivery

- [Youth Loans](#)
- [Things to Know](#)
- [USDA Extends Application Deadline for Dairy Margin Protection Program to June 22](#)
- [Update Your Records](#)
- [Environmental Review Required Before Project Implementation](#)
- [Farm Loan Graduation Reminder](#)
- [Payments to Deceased Producers](#)

Connecticut FSA Newsletter

Connecticut

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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

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- 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 or call the county office to connect with farm loan staff who can answer your questions, and help with preparing the application forms.

Things to Know

June 22 - Last day to sign up for the Margin Protection Program for Dairy.

July 15 - Last day to report your crop acreage. Reporting the types of crops, acres, location and dates of planting will keep your records up to date, meet requirements for crop insurance and other programs. You can also get copies of your acreage maps.

Nominate yourself or others for County Committee by August 1. See: <https://www.fsa.usda.gov/news-room/county-committee-elections/index> ; or contact your county office.

Visit www.farmers.gov to learn more about USDA programs and initiatives. Or stop in at your local county office.

USDA Extends Application Deadline for Dairy Margin Protection Program to June 22

The re-enrollment deadline for the Margin Protection Program (MPP) for Dairy has been extended until June 22, 2018.

The new and improved program protects participating dairy producers when the margin – the difference between the price of milk and feed costs – falls below levels of protection selected by the applicant.

The re-enrollment deadline was previously extended through June 8, 2018. The deadline is being extended a second time to ensure that dairy producers are given every opportunity to make a calculated decision and enroll in the program if they choose.

This will be the last opportunity for producers to take advantage of key adjustments Congress made to provisions of the MPP program under the Bipartisan Budget Act of 2018 to strengthen its support of dairy producers. USDA encourages producers contemplating enrollment to use the online web resource at www.fsa.usda.gov/mpptool to calculate the best levels of coverage for their dairy operation.

The next margin under MPP, for May 2018, will be published on June 28, 2018. Therefore, all coverage elections on form CCC-782 and the \$100 administrative fee, unless exempt, must be

submitted to the County FSA Office no later than June 22, 2018. No registers will be utilized, so producers are encouraged to have their enrollment for 2018 completed by COB June 22, 2018.

All dairy operations must make new coverage elections for 2018 during the re-enrollment period, even if the operation was enrolled during the previous 2018 signup. Coverage elections made for 2018 will be retroactive to January 1, 2018. MPP payments will be sequestered at a rate of 6.6 percent.

To learn more about the Margin Protection Program for dairy, contact your local USDA Farm Service Agency county office at offices.usda.gov or visit us on the Web at www.fsa.usda.gov.

Update Your Records

Are you visiting the county office for program information or acreage reporting? Now is a good time to be sure your address, zip code, phone number, email and other information is correct. Have you changed your farm operation from a sole proprietor to a partnership or LLC? Changes in your farm operation, like the addition of a farm by lease or purchase, need to be reported to our office as well. Producers participating in FSA and NRCS programs are required to timely report changes in their farming operation to the County Committee in writing and update their CCC-902 Farm Operating Plan.

Environmental Review Required Before Project Implementation

The National Environmental Policy Act (NEPA) requires Federal agencies to consider all potential environmental impacts for federally-funded projects before the project is approved.

For all Farm Service Agency (FSA) programs, an environmental review must be completed before actions are approved, such as site preparation or ground disturbance. These programs include, **but are not limited to**, the Emergency Conservation Program (ECP), Farm Storage Facility Loan (FSFL) program and farm loans. If project implementation begins before FSA has completed an environmental review, this will result in a denial of the request. There are exceptions regarding the Stafford Act and emergencies. It is important to wait until you receive written approval of your project proposal before starting any actions, including, but not limited to, vegetation clearing, site preparation or ground disturbance.

Contact your local FSA office early in your planning process to determine what level of environmental review is required for your program application so that it can be completed timely.

Applications cannot be approved contingent upon the completion of an environmental review. FSA must have copies of all permits and plans before an application can be approved.

Farm Loan Graduation Reminder

FSA Direct Loans are considered a temporary source of credit that is available to producers who do not meet normal underwriting criteria for commercial banks.

FSA periodically conducts Direct Loan graduation reviews to determine a borrower's ability to graduate to commercial credit. If the borrower's financial condition has improved to a point where

they can refinance their debt with commercial credit, they will be asked to obtain other financing and partially or fully pay off their FSA debt.

By the end of a producer's operating cycle, the Agency will send a letter requesting a current balance sheet, actual financial performance and a projected farm budget. The borrower has 30 days to return the required financial documents. This information will be used to evaluate the borrower's potential for refinancing to commercial credit.

If a borrower meets local underwriting criteria, FSA will send the borrower's name, loan type, balance sheet and projected cash flow to commercial lenders. The borrower will be notified when loan information is sent to local lenders.

If any lenders are interested in refinancing the borrower's loan, FSA will send the borrower a letter with a list of lenders that are interested in refinancing the loan. The borrower must contact the lenders and complete an application for commercial credit within 30 calendar days.

If a commercial lender rejects the borrower, the borrower must obtain written evidence that specifies the reasons for rejection and submit to their local FSA farm loan office.

If a borrower fails to provide the requested financial information or to graduate, FSA will notify the borrower of noncompliance, FSA's intent to accelerate the loan, and appeal rights.

Payments to Deceased Producers

To claim a Farm Service Agency (FSA) payment on behalf of a deceased producer, all program conditions for the payment must have been met before the applicable producer's date of death.

If a producer earned a FSA payment prior to becoming deceased, the following is the order of precedence of the representatives of the producer:

- administrator or executor of the estate
- the surviving spouse
- surviving sons and daughters, including adopted children
- surviving father and mother
- surviving brothers and sisters
- heirs of the deceased person who would be entitled to payment according to State law

In order for FSA to release the payment, the legal representative of the deceased producer must file a form FSA-325, to claim the payment for themselves or an estate. The county office will verify and determine that the application, contract, loan agreement, or other similar form requesting payment issuance, was signed by the applicable deadline for such form, by the deceased or a person legally authorized to act on their behalf at that time of application.

If the application, contract or loan agreement form was signed by someone other than the participant who is deceased, FSA will determine whether the person submitting the form has the legal authority to submit the form to compel FSA to pay the deceased participant.

Payments will be issued to the respective representative's name using the deceased program participant's tax identification number. Payments made to representatives are subject to offset regulations for debts owed by the deceased.

FSA is not responsible for advising persons in obtaining legal advice on how to obtain program benefits that may be due to a participant who has died, disappeared or who has been declared incompetent.

USDA is an equal opportunity provider, employer and lender. 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).
