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NEWSLETTER

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Louisiana FSA Newsletter

Louisiana Farm Service Agency

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www.fsa.usda.gov/la

State Executive Director:
Craig A. McCain

State Committee:
Ray Young, Chairperson
John Earles
Emery Jones
Julie Richard
Donna Winters

Next State Committee Meeting: To be determined

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

Message from Craig A. McCain, FSA State Executive Director

Fall is normally a pleasant season in which we enjoy the transition to cooler temperatures and the harvest of many different crops. However, as usual, this year hasn't brought what we hoped for; temperatures are just beginning to moderate and the dry weather which dominated our summer has been replaced by persistent rainfall, high humidity and constant cloud cover. While we have generally seen improvement in forage production, sugar planting and harvest of crops has been delayed and in many cases producers are reporting damaged crops. While we are hopeful that harvest conditions will soon improve, FSA reminds producers that several programs are available to mitigate risk and provide capital investment. Recognizing that you are busy, we encourage you to read about program or loan offerings below, contact your local USDA Service Center or sign up for electronic communications or texting alerts. In these challenging times, information is valuable to you and your bottom line. FSA is here to serve your needs!

As has become our custom, I'll leave you with the challenge issued to all of USDA by our Secretary of Agriculture, Sonny Perdue… "Do

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right and feed everyone"! Thanks for what you do to serve the people of this State, our Nation and the World!

Upcoming Important Dates

- **July 16** – **Nov. 16**; WHIP signup period
- **July 30** – **Dec. 7;** ARCPLC signup period for Seed Cotton
- **Sept. 4 - Jan. 15**; MFP signup period
- **Nov. 5 -** COC ballots will be mailed to eligible voters
- **Nov. 12** - USDA Service Centers will be closed for the Veterans Day holiday
- **Nov. 22** - USDA Service Centers will be closed for the Thanksgiving Day Holiday

Perdue Announces Additional Hurricane and Wildfire Recovery Details

Under the direction of President Donald J. Trump, U.S. Secretary of Agriculture Sonny Perdue announced new details on eligibility for a new U.S. Department of Agriculture (USDA) disaster program, 2017 Wildfires and Hurricanes Indemnity Program (2017 WHIP). In total, USDA's Farm Service Agency (FSA) will deploy the up to $2.36 billion that Congress appropriated through the Bipartisan Budget Act of 2018 to help producers with recovery of their agricultural operations in at least nine states with hurricane damage and states impacted by wildfire. Following the announcement, Secretary Perdue issued this statement:

"Last year our nation experienced some of the most significant disasters we have seen in decades, some back-to-back, at the most critical time in their production year. While USDA has a suite of disaster programs as well as crop insurance available to help producers manage their risk, Congress felt it was important to provide extra assistance to our nation's farms and ranches that were the hardest hit last year," Secretary Perdue said. "At President Trump's direction, our team is working as quickly as possible to make this new program available to farmers in need. Our aim is to provide excellent customer service, building on efforts which began the day the storm hit."

Key Updates Include:

- Hurricane Recovery: To be eligible a crop, tree, bush or vine must be located in a primary disaster county with either a Presidential declaration or a Secretarial designation due to a 2017 hurricane. Crops, trees, bushes or vines located in other counties may also be eligible if the producer provides documentation the loss was caused by a 2017 hurricane.

- Wildfire Recovery: Any crop, tree, bush or vine, damaged by a 2017 wildfire is eligible.

- Eligible Producers: Eligibility will be determined on an individual basis, using the level of insurance coverage purchased for 2017 for the total crop acres on the area for which the WHIP application is made. Eligible producers who certify to an average adjusted gross income (AGI) of at least 75 percent derived from farming or ranching, including other agriculture and forestry-based businesses during the tax years 2013, 2014 and 2015, will be eligible for a $900,000 payment limitation with verification. All other eligible producers requesting 2017 WHIP benefits will be subject to a $125,000 payment limitation.

- Crop Insurance Requirement: Both insured and uninsured producers are eligible to apply for WHIP. However, all producers opting to receive 2017 WHIP payments will be required to purchase crop insurance at the 60% coverage level, or Noninsured Crop Disaster Assistance Program (NAP) at the 60% buy up coverage level if crop insurance is not available. Coverage must be in place for the next two applicable crop years to meet program requirements.

- Acreage Reporting Requirements: In addition, for the applicable crop years, all producers are required to file an acreage report and report production (if applicable).

- Payment Formula: FSA will calculate WHIP payments with this formula:

  Payment = Expected Value of the Crop x WHIP Factor - Value of Crop Harvested - Insurance Indemnity

  The WHIP factor ranges from 65 percent to 95 percent. Producers who did not insure their crops in 2017 will receive a 65 percent WHIP Factor. Insured producers, or producers who had NAP, will receive between 70 percent and 95 percent WHIP Factors; those purchasing higher levels of coverage will receive higher WHIP Factors.

USDA Market Facilitation Program

USDA launched the trade mitigation package aimed at assisting farmers suffering from damage due to unjustified trade retaliation by foreign nations. Producers of certain commodities can now sign up for the Market Facilitation Program (MFP).

USDA's Farm Service Agency (FSA) will administer MFP to provide payments to corn, cotton, dairy, hog, sorghum, soybean, wheat, shelled almond, and fresh sweet cherry producers. An announcement about further payments will be made in the coming months, if warranted.

The sign-up period for MFP runs through Jan. 15, 2019, with information and instructions provided at www.farmers.gov/mfp. MFP provides payments to producers of eligible commodities who have been significantly impacted by actions of foreign governments resulting in the loss of traditional exports. Eligible producers should apply after harvest is complete, as payments will only be issued once production is reported.

A payment will be issued on 50 percent of the producer's total production, multiplied by the MFP rate for a specific commodity. A second payment period, if warranted, will be determined by the USDA.

For a list of initial MFP payments rates, view the MFP Fact Sheet.

MFP payments are capped per person or legal entity as follows:

- A combined $125,000 for eligible crop commodities
- A combined $125,000 for dairy production and hogs
- A combined $125,000 for fresh sweet cherries and almonds

Applicants must also have an average adjusted gross income for tax years 2014, 2015, and 2016 of less than $900,000. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.

Expanded Hog Timeline

USDA has expanded the timeline for producers with whom the Aug. 1, 2018, date does not accurately represent the number of head of live hogs they own. Producers may now choose any date between July 15 to Aug. 15, 2018 that correctly reflects their actual operation.

MFP applications are available online at www.farmers.gov/mfp. Applications can be completed at a local FSA office or submitted electronically either by scanning, emailing, or faxing. To locate or contact your local FSA office, visit www.farmers.gov.

USDA Opens Election Period for Seed Cotton Program

The U.S. Department of Agriculture (USDA) announced that seed cotton producers, who want to participate in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2018 crop year, may now submit applications. The signup period ends on Dec. 7, 2018.

In accordance with changes to ARC and PLC made by the Bipartisan Budget Act of 2018, farm owners with generic base acres and recent planting history of covered commodities have a one-time opportunity to allocate all of the generic base acres on their farm.

Farms with generic base acres that were planted or approved as a prevented planted commodity during the 2009 through 2016 crop years, are eligible to allocate generic base acres. This includes upland cotton.

Producers have two options to allocate generic base:

- Option 1: Allocate generic base acres on a farm to seed cotton base acres equal to the higher of the following:
    - 80 percent of the generic base acres on the farm
        - the remaining 20 percent goes to unassigned base acres for which there will be no payments
    - The average of planted and prevented from planted upland cotton acres on the farm in crop years 2009 through 2012, not to exceed the total generic base acres on the farm.

- Option 2: Allocate generic base acres in proportion to the 4-year average acreage planted on the farm and prevented from being planted for each covered commodity, including upland cotton, in crop years 2009 through 2012, to the total acreage planted and considered planted for all covered commodities on the farm.

An increase in total base acres on the farm is not allowed. For farms without planted or considered planted history of covered commodities, including upland cotton, during the 2009 through 2016 crop years, all generic base acres shall be converted to unassigned generic base acres for which no benefits may be available.

If a farm owner is unable to allocate generic base acres during the allocation period, the generic base acres will be deemed to be allocated to seed cotton base under the provisions in Option 1.

FSA posted a notice on July 27.

Current farm owner(s) have a one-time opportunity to update the farm's payment yield for seed cotton with either retaining the Counter-Cyclical (CC) payment yield for upland cotton, as listed on the farm record as of Sept. 3, 2013, multiplied by 2.4, or update the upland cotton yield to 90 percent of a simple average of the upland cotton yield per planted acre on the farm for years 2008 through 2012. The retained or updated yield becomes the PLC yield for the farm, effective for the 2018 crop year, and will only be used in calculating payment rates for the PLC program. If a request to update yields is not filed within the yield update period, the former CC yield on the farm multiplied by 2.4 will be carried forward as the farm's PLC yield for the 2018 crop year. If the generic base acre allocation results in crop base acres for a covered commodity base where a PLC yield does not exist on the farm, then an owner may update the yield(s) for the new crop(s).

Following the generic base acre allocation and yield update, the current producer(s) on the farm will have a one-time opportunity to unanimously elect either ARC or PLC for the seed cotton base acres resulting from the generic base acre allocation. Farms with an ARC-IC election will continue in ARC-IC, which would include any seed cotton base acres allocated to the farm. Any farm that fails to make an unanimous election will be deemed to have elected PLC for acres allocated on the farm to seed cotton.

The final step in the process is enrolling the farm in ARC/PLC for 2018. After completing the aforementioned steps, producers on farms must still enroll the farm for that farm to be eligible for ARC and PLC for 2018. Enrollment of ARC and PLC farms, consistent with the program election for the farm and covered commodities made in the election period, for the 2018 crop year, began Nov. 1, 2017 and will end on Dec. 7, 2018.

Visit www.fsa.usda.gov or the local FSA office for information about FSA and the 2014 Farm Bill programs and programs impacted by the Bipartisan Budget Act of 2018.

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 Oct. 1, 2017 to Sept. 30, 2018 must file:

- A notice of loss the earlier of 30 calendar days of when the loss is apparent or by Nov. 1, 2018
- An application for payment by **Nov. 1, 2018**

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.

ARC/PLC Acreage Maintenance

Producers enrolled in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs must protect all cropland and noncropland acres on the farm from wind and water erosion and noxious weeds. Producers who sign ARC county or individual contracts and PLC contracts agree to effectively control noxious weeds on the farm according to sound agricultural practices. If a producer fails to take necessary actions to correct a maintenance problem on a farm that is enrolled in ARC or PLC, the County Committee may elect to terminate the contract for the program year.

2018 Livestock Forage Losses

Producers in Bossier, Caddo, Bienville, Claiborne, Webster, Desoto, Red River, Natchitoches and Lincoln parishes are eligible to apply for 2018 Livestock Forage Disaster Program (LFP) benefits on warm season improved pasture and native pasture.

LFP provides compensation to eligible livestock producers who suffer grazing losses for covered livestock due to drought on privately owned or cash leased land or fire on federally managed land.

County committees can only accept LFP applications after notification is received by the National Office of qualifying drought or if a federal agency prohibits producers from grazing normal permitted livestock on federally managed lands due to qualifying fire. Eligible livestock producers must complete a CCC-853 and the required supporting documentation no later than Jan. 30, 2019 for 2018 losses.

Additional Information about LFP, including eligible livestock and fire criteria, is available at your local FSA office or online at: www.fsa.usda.gov.

FSA Offers Safety Net Programs for Honeybee Producers

The Farm Service Agency (FSA) administers two programs that have specific safety net benefits for producers of honeybees and honey. The Noninsured Crop Disaster Assistance Program (NAP) and the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) assist producers when disasters impact honey production or damage or destroy colonies, hives or honeybee feed.

NAP is designed to reduce financial losses when natural disasters result in lower yields or crop losses, including honey. NAP coverage is equivalent to catastrophic insurance, meaning it covers up to 50 percent of a producer's normal yield (must have at least a 50 percent loss) at 55 percent of the average market price. The NAP service fee is the lesser of $250 per crop or $750 per producer per administrative county, not to exceed a total of $1,875 for a producer with farming interests in multiple counties. Eligible causes of loss include drought, freeze, hail, excessive moisture, excessive wind, hurricanes, earthquake, flood, and conditions related to damaging weather such as excessive heat, plant disease, volcanic smog or insect infestation.

Producers must apply for NAP coverage by Dec. 1 prior to the year for which they are seeking coverage.

ELAP covers colony losses, hive losses and the loss of purchased feed intended for honeybees. For colony losses, producers must have losses in excess of normal mortality (normal mortality is 22 percent) as a direct result of an eligible adverse weather event or loss condition. For hive losses, the hive must have been damaged or destroyed as a result of an eligible adverse weather event or loss condition. Eligible adverse weather or loss conditions include Colony Collapse Disorder (for colony losses only), earthquake, eligible winter storm (colony loss only), excessive wind, flood, hurricane, lighting, tornado, volcanic eruption and wildfire. For purchased feed, the program covers feed purchased above normal quantities to sustain bees during an eligible adverse weather event or loss condition. Under ELAP the producer must provide documentation that best management practices are being followed.

Both the NAP and ELAP programs require producers to report the number of colonies they have in production to FSA by Jan. 2, 2019. Honeybee producers must notify FSA within 30 calendar days of changes in the total number of colonies or when honeybees are moved to another county.

For ELAP, producers must notify FSA within 30 calendar days of when a loss occurs or from when the loss is apparent. Producers with NAP coverage must file a *Notice of Loss* within 15 days of the occurrence of the disaster or when losses become apparent.

To learn more about programs for honey and honeybee producers, contact your local FSA office.

Submit Loan Requests for Financing Early

Farm Loan teams throughout Louisiana are busy working on operating loans so it is important that potential borrowers submit their requests early so they can be timely processed. The farm loan team can help determine which loan programs are best for applicants.

FSA offers a wide range of low-interest loans that can meet the financial needs of any farm operation for just about any purpose. The traditional **farm operating and farm ownership loans** can help large and small farm operations take advantage of early purchasing discounts for spring inputs as well expenses throughout the year.

Microloans are a simplified loan program that will provide up to $50,000 to eligible applicants. These loans, targeted for smaller operations and non-traditional operations, can be used for operating expenses, starting a new agricultural enterprise, purchasing equipment, and other needs associated with a farming operation. Your local FSA office staff can provide more details on farm operating and microloans and provide loan applications. Loans to beginning farmers and members of underserved groups are a priority.

Other types of loans available include:

Marketing Assistance Loans allow producers to use eligible commodities as loan collateral and obtain a 9-month loan while the crop is in storage. These loans provide cash flow to the producer and allow them to market the crop when prices may be more advantageous.

Farm Storage Facility Loans can be used to build permanent structures used to store eligible commodities, or for storage and handling trucks, or portable or permanent handling equipment. A variety of structures are eligible under this loan, including bunker silos, grain bins, hay storage structures and refrigerated structures for vegetables and fruit. A producer may borrow up to $500,000 per loan**.**

Please call your local FSA office if you have questions about any of the loans available through FSA.

Communication is Key in Lending

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be a success. A part of ensuring this success is providing guidance and counsel from the loan application process through the borrower's graduation to commercial lending institutions. While it is FSA's commitment to advise borrowers as they identify goals and evaluate progress, it is crucial for borrowers to communicate with their farm loan staff when changes occur. It is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation;
- Any significant changes to family income or expenses;
- The development of problem situations;
- Any losses or proposed significant changes in security

In addition, if a farm loan borrower cannot make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options.

For more information on FSA farm loan programs, visit www.fsa.usda.gov.

CRP Routine Grazing and Managed Harvesting

Conservation Reserve Program (CRP) participants can utilize routine grazing and managed harvesting as outlined in their conservation plan. Managed harvesting and routine grazing are authorized under certain conditions to improve the quality and performance of the CRP cover.

Routine grazing is authorized every other year. Contracts approved prior to July 28, 2010, and still considered managed grazing can only participate in grazing one out of every three years.

Managed harvesting for hay is authorized no more frequently than one in three years.

Under normal conditions, managed haying and routine grazing can be requested at the local FSA office by the landowner or producer on the CRP contract. The same acreage cannot be hayed and grazed.

CRP acres must be considered fully established before haying or grazing can be authorized. In addition, haying or grazing CRP acres is not authorized during the primary nesting season. For Louisiana, the primary nesting season is April 15 through July 15. Producer must request approval before haying or grazing the acreage.

For routine grazing, the length of time and frequency established shall be included in the locally approved Prescribed Grazing Plan, which is a part of the conservation plan. The primary purpose of this plan **must** be to maintain vegetative cover, minimize soil erosion, protect water quality, and protect wildlife habitat quality.

Before grazing eligible acreage, CRP participants must request approval and obtain a modified conservation plan to include routine grazing requirements. CRP participants are not permitted to graze any acreage hayed or grazed under managed or emergency provisions. Participants must report the number of acres grazed.

For haying, the authorization expires as specified in the Conservation Plan and all hay bales must be **completely removed** from CRP contract acres by no later than the date indicated on the Conservation Plan. CRP participants must report the number of acres hayed to FSA. Haying is limited to one cutting.

Routine grazing and managed harvesting will result in an annual rental payment reduction of no less than 25 percent based on the number of acres actually grazed or harvested. Producers who qualify as a beginning farmer or rancher, who are grazing CRP acres, will not be assessed a payment reduction. This waiver only applies to routine grazing.

All hayed and grazed acres are subject to FSA spot-check at any time during or after the authorization period.

It is important to contact your local FSA office prior to any haying or grazing activities on CRP acres to ensure your contract remains in compliance.

FSAfarm+, FSA's Customer Self-Service Portal

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) has launched a new tool to provide farmers and ranchers with remote access to their personal farm information using their home computers. Farmers and ranchers can now view, print or export their personal farm data all without visiting an FSA county office.

The program, known as **FSA***farm+,* provides you with secure access to view your personal FSA data, such as base and yields, Conservation Reserve Program data, other conservation program acreage, Highly Erodible Land Conservation and Wetland Conservation status information, field boundaries, farm imagery, name and address details, contact information and membership interest and shares in the operation. This data will be available in real time, at no cost to the producer and allow operators and owners to export and print farm records, including maps. Producers also can electronically share their data with a crop insurance agent from their own personal computer.

Farm operators and owners first will need "Level 2 eAuthentication" to access the webportal. This level of security ensures that personal information is protected for each user. Level 2 access can be obtained by going to www.eauth.usda.gov, completing the required information and then visiting your local FSA office to finalize access.

For more information on **FSA***farm+,* the customer self-service portal, contact your local FSA office. To find your local FSA county office, click http://offices.usda.gov.

Save Time – Make an Appointment with FSA

Producers are encouraged to call their local FSA office to schedule an appointment to ensure maximum use of their time and to make sure FSA staff is available to tend to their important business needs. Please call your local FSA office ahead of your visit to set an appointment and to discuss any records or documentation that might be needed during your appointment. To find your local FSA office, visit: http://offices.sc.egov.usda.gov/locator/app.

Selected Interest Rates for October 2018

- Farm Operating Loans — Direct 3.750%
- Farm Ownership Loans — Direct 4.125%
- Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher — 1.50%
- Emergency Loans — 3.750%
- Farm Storage Facility Loans (3 years) — 2.750%
- Farm Storage Facility Loans (5 years) — 2.750%
- Farm Storage Facility Loans (7 years) — 2.875%
- Farm Storage Facility Loans (10 years) — 2.875%
- Farm Storage Facility Loans (12 years) — 3.000%
- Sugar Storage Facility Loans (15 year term) — 3.000%
- Commodity Loans — 3.500%