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NEWSLETTER



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Wisconsin State FSA Newsletter

Wisconsin State Farm Service Agency (FSA)

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Questions?

Please contact your [Local FSA Office](#) for questions specific to your operation or county.

Comments from the State Director

Welcome to 2015. I hope the Holidays were happy and healthy for you and your family.

This month's FSA newsletter provides you with a number of important program updates and sign-up dates. During the month of January and into February, our staff will be hosting a number of informational meetings regarding the new crop program that was offered in the 2014 Farm Bill.

Additional background regarding the Agriculture Revenue Coverage program (ARC) and Price Loss Coverage program (PLC) is available in this newsletter.

Thank you for your work on behalf of Wisconsin agriculture.

Brad Pfaff, State Director

Producers Invited to Attend Farm Bill Meetings

FSA Offices across the State are holding informational meetings on the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) Programs which were enacted by the 2014 Farm Bill. Many producers have stated that they have a much better understanding of the program and are better able to make a decision on the options for their operation after attending a meeting.

A list of all meetings that are being held across the State is available at www.fsa.usda.gov/wi. Click on "FARM BILL INFORMATIONAL MEETINGS" to get the list by date or county. This listing is updated weekly.

Persons with disabilities who require accommodations to attend or participate in the meeting/event/function should contact the FSA County Executive Director for the County in which the meeting is scheduled or Federal Relay Service at 1-800-877-8339 by no later than three days prior to the scheduled meeting date.

FSA Announces New Yield Data for Safety Net Calculations; ARC/PLC Program Election Continues

Farmers can Update Yield History through Feb. 27, 2015

The U.S. Department of Agriculture Farm Service Agency (FSA) offers farmers new information to update program payment yields that will help them better select protections offered by the Agricultural Risk Coverage (ARC) and Price Loss Coverage (PLC) programs. The new programs, established by the 2014 Farm Bill, are cornerstones of the commodity farm safety, offering farmers protection when market forces cause substantial drops in crop prices and revenues.

The Farm Bill provides landowners with the option of updating their farm program payment yields and this is the first time that many producers have been able to update yields since 1986. FSA has worked with the Risk Management Agency (RMA) to make available certified yield data that producers can use to better calculate how the new safety net programs can offer the best protection against market swings.

Producers can check with their local FSA county office to see if data is available for them. This data belongs to the producer and only the producer associated with the crop insurance records will be provided this service.

Dates associated with ARC and PLC that farm owners and producers need to know:

- Now through February 27, 2015: Farm owners may visit their local Farm Service Agency office to update yield history and/or reallocate base acres.
- Now through March 31, 2015: Producers make a one-time election between ARC and PLC for the 2014 through 2018 crop years. **Failure to elect a program by this date results in the default ineligibility for any 2014 payments on the applicable farm.**
- Mid-April 2015 through summer 2015: Producers sign contracts for 2014 and 2015 crop years.
- October 2015: Payments issued for 2014 crop year, if earned.

To learn more about which safety net options are most appropriate for specific farming operations, farmers can use new Web tools at www.fsa.usda.gov/arc-plc, which can be accessed from the convenience of a home computer or a mobile device at any time

USDA Provides Greater Protection for Fruit, Vegetable and Other Specialty Crop Growers

Free Basic Coverage Plans and Premium Discounts Available for New, Underserved and Limited Income Farmers

Greater protection is now available from the Noninsured Crop Disaster Assistance Program for crops that historically have been ineligible for federal crop insurance. The new options, created by the 2014 Farm Bill, provide greater coverage for losses when natural disasters affect specialty crops such as vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, maple sap, and energy crops.

Previously, the program offered coverage at 55 percent of the average market price for crop losses that exceed 50 percent of expected production. Producers can now choose higher levels of coverage, up to 65

percent of their expected production at 100 percent of the average market price.

The expanded protection will be especially helpful to beginning and socially disadvantaged producers, as well as farmers with limited resources, who will receive fee waivers and premium reductions for expanded coverage. More crops are now eligible for the program, including expanded aquaculture production practices, and sweet and biomass sorghum. For the first time, a range of crops used to produce bioenergy will be eligible as well.

To help producers learn more about the Noninsured Crop Disaster Assistance Program and how it can help them, USDA, in partnership with Michigan State University and the University of Illinois, created an online resource. The Web tool, available at www.fsa.usda.gov/nap, allows producers to determine whether their crops are eligible for coverage. It also gives them an opportunity to explore a variety of options and levels to determine the best protection level for their operation.

If the application deadline for an eligible crop has already passed (such as perennial crops, aquaculture, turf grass, ginseng, honey, maple sap and others), producers have until January 14, 2015, to choose expanded coverage through the Noninsured Crop Disaster Assistance Program. The deadline to apply for 2015 NAP coverage on spring planted crops is March 16, 2015.

To learn more, visit the Farm Service Agency (FSA) website at www.fsa.usda.gov/nap or contact your local FSA office. The Farm Service Agency (FSA), which administers the program, also wants to hear from producers and other interested stakeholders who may have suggestions or recommendations on the program. Written comments will be accepted until Feb. 13, 2015 and can be submitted through www.regulations.gov.

Livestock Disaster Assistance Sign-up Underway

These livestock disaster programs are authorized by the 2014 Farm Bill as permanent programs and provide retroactive authority to cover losses that occurred on or after October 1, 2011. Eligible producers can sign-up for the following livestock disaster assistance programs:

Livestock Forage Disaster Program (LFP):

LFP provides compensation to eligible livestock producers that have suffered grazing losses due to drought on privately owned or cash leased land or fire on federally managed land. Eligible producers must physically be located in a county affected by a qualifying drought during the normal grazing period for the county. Producers who suffered eligible grazing losses should submit a completed CCC-853 and supporting documentation **by January 30, 2015**. 33 counties in Wisconsin are eligible for LFP in 2012. No counties in Wisconsin met the drought eligibility conditions required for the program in 2013 or 2014.

Livestock Indemnity Program (LIP):

LIP provides compensation to eligible livestock producers that have suffered 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. Producers who suffered livestock death losses in calendar year 2014 should submit a notice of loss and an application for payment to their local FSA office by **January 30, 2015**.

For calendar year 2015 losses, the notice of loss must be reported by the earlier of: 30 calendar days of when the loss was apparent; or 30 calendar days after the end of calendar year which is January 30, 2016 for 2015 losses

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

The enrollment deadline for the 2015 Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) is November 1, 2015. The deadline for 2012, 2013 and 2014 ELAP has already passed.

ELAP provides emergency assistance to eligible producers of livestock, honeybees and farm-raised fish that have losses due to disease, adverse weather, or other conditions, such as blizzards and wildfires. ELAP assistance is provided for losses not covered by LFP and LIP. For 2015 program year losses, a notice of loss must be filed by the earlier of; 30 calendar days of when the loss is apparent to the participant, or November 1, 2015. An application for payment must be submitted by November 1, 2015.

For more information, producers can review the LFP, LIP and ELAP Fact Sheets on the [Farm Bill webpage](#). Producers are encouraged to make an appointment with their local FSA office to apply for these programs.

Tree Assistance Program (TAP) Sign-up Continues

Orchardists and nursery tree growers who experienced losses from natural disasters that occurred on or after October 1, 2011 through December 31, 2014, can sign up for the Tree Assistance Program (TAP) by **no later than January 31, 2015**. TAP provides financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes and vines damaged by natural disasters.

Eligible tree types include trees, bushes or vines that produce an annual crop for commercial purposes. Nursery trees include ornamental, fruit, nut and Christmas trees that are produced for commercial sale. Trees used for pulp or timber are ineligible.

To qualify for TAP, orchardists must suffer a qualifying tree, bush or vine loss in excess of normal mortality from an eligible natural disaster. The eligible trees, bushes or vines must have been owned when the natural disaster occurred; however, eligible growers are not required to own the land on which the eligible trees, bushes and vines were planted.

If the TAP application is approved, the eligible trees, bushes and vines must be replaced within 12 months from the date the application is approved. The cumulative total quantity of acres planted to trees, bushes or vines, for which a producer can receive TAP payments, cannot exceed 500 acres annually.

For losses that occur on or after January 1, 2015 producers must provide an application and supporting documentation to FSA within 90 calendar days of each disaster event or date when the loss of trees, bushes, or vines is apparent to the producer.

Farm Bill Allows Early Termination for Certain CRP Contracts

The Farm Service Agency reminds producers with acres under contract through the Conservation Reserve Program (CRP) that they can apply for early contract termination, as required by the 2014 Farm Bill. The deadline to request early CRP contract termination is January 30, 2015.

This is a unique opportunity to request early termination afforded by the 2014 Farm Bill. The earliest effective date for this early termination is October 1, 2014. The requesting CRP contract must have been in effect for at least five years and additional eligibility conditions must be met to qualify. The 2014 Farm Bill identifies a list of 10 exceptions whereby land will not be eligible for the early termination provisions. For a complete list of these exceptions, please view the program fact sheet online at http://www.fsa.usda.gov/Internet/FSA_File/crp_opt_out_fact_sht.pdf

Once a CRP contract termination request is approved by the FSA County Committee, the decision may not be reversed and the terminated contract will not be reinstated. Once the land is no longer considered under the CRP contract all participants must meet HEL/WC and other conservation compliance provisions for all associated lands.

For more information or to verify eligibility for early termination (opt-out) for existing CRP contracts, please contact your local FSA office.

2014 Marketing Assistance Loans

The USDA Farm Service Agency (FSA) is accepting requests for marketing assistance loans (MALs) for eligible 2014 commodities. MAL's are nine-month loans with a locked interest rate of 1.125%.

MALs for the 2014 crop year become available after the harvest of a crop and extend through to the commodity's final loan availability date. For wool the final date to request a loan is February 2, 2015, for wheat, oats, barley, and honey the final date is March 31, 2015 and for corn and soybeans the final date is June 1, 2015.

MALs provide producers interim financing after harvest to help meet cash flow needs while waiting to feed or market a commodity. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain a Loan Deficiency Payment (LDP) if such a payment is available.

National and county loans rates for 2014 crops are posted on FSA's website at: www.fsa.usda.gov/pricesupport
For more information, please visit a nearby USDA Service Center or FSA's website www.fsa.usda.gov.

Farm Storage Loan Program

USDA has a program to help producers build or upgrade feed and grain farm-storage facilities. The Farm Storage Facility Loan (FSFL) program provides very low-interest financing to assist producers with the construction or rehabilitation of storage structures.

The maximum amount of a loan through the FSFL program is \$500,000 per structure with FSA loaning on up to 85% of the eligible costs. Loan terms of seven years (for loans less than \$100,000), seven or 10 years (for loans between \$100,000 and \$250,000) or seven, 10 or 12 years if the loan is greater than \$250,000 are available. The interest rate in effect at the time the loan is approved is locked in for the life of the loan. The current interest rates are 2% for a 7-year loan, 2.25% for a 10-year loan and 2.375% for a 12-year loan.

The program is designed to help ensure that producers have adequate capacity to store their harvested production until they feed or sell the harvested crop. Loans are available for bunkers, flat storage, hay barns, bins, grain drying and handling facilities as well as silos and oxygen limiting structures. Loans are also available for fruit, vegetable, honey and biomass storage.

An FSFL needs to be approved before any site preparation or construction can begin. FSFL security requirements have been eased for loans between \$50,000 and \$100,000. Previously, all loans in excess of \$50,000 required a promissory note and additional security, such as a lien on real estate. Now loans up to \$100,000 can be secured by only a promissory note, unless the structure has no re-sale value, then additional collateral is still required.

Anyone interested in an FSFL needs to contact their local FSA office at least six weeks prior to any planned construction to allow for loan processing. All loans require a \$100 non-refundable loan application fee. Please feel free to contact our office if you have any questions.

Microloan Cap Grows to \$50,000

Farm Service Agency (FSA) reminds farmers that the FSA borrowing limit for microloans increased from \$35,000 to \$50,000, effective Nov. 7. 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 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, FSA has made a record amount of farm loans — more than 165,000 loans totaling nearly \$23 billion. More than 50 percent of USDA's farm loans now go to beginning farmers. In addition, FSA has increased its lending to underserved producers by nearly 50 percent since 2010.

Please review the FSA [Microloan Program Fact Sheet](#) for more details and contact your local FSA office if interested

Youth Loans

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).

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 supervisor. The project supervisor must recommend the youth loan applicant, along with providing adequate supervision.

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

Dates to Remember

January 14th: Deadline to apply for NAP buy-up coverage on perennial and value loss crops

January 19th: Offices closed in observance of Martin Luther King Jr. Day

January 30th: Deadline to apply for assistance from the LIP program for eligible livestock losses from October 1, 2011 through December 31, 2014

January 30th: Deadline to apply for assistance in eligible counties for the 2012 Livestock Forage Disaster Program

January 30th: Deadline to request early termination for certain CRP contracts

January 31st: Deadline to apply for assistance from the TAP program for eligible tree losses from October 1, 2011 through December 31, 2014

February 2nd: Deadline to timely file 2015 acreage report for maple sap

February 16th: Offices closed in observance of Washington's Birthday

February 27th: Deadline for ARC/PLC base reallocations and/or yield updates on an FSA farm number basis

March 16th: Deadline to apply for 2015 NAP coverage on spring planted crops

March 31st: Deadline for ARC or PLC election on an FSA farm number basis

Ongoing: Continuous Conservation Reserve program enrollment

Farm Storage Facility Loan program applications

Inform your local FSA office of any farm or operation changes

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