### August 2014



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# **Colorado State FSA Updates**

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Next State Committee Meeting: September 16, 2014

### EAGLE VALLEY CLEAN ENERGY, LLC HAS BEEN SELECTED TO ACCEPT BIOMASS DELIVERIES

USDA has selected 36 energy facilities in 14 states to accept biomass deliveries supported by the Biomass Crop Assistance Program (BCAP). Of the 36 facilities, Eagle Valley Clean energy, LLC was selected in Colorado. Biomass owners who supply these facilities may qualify for BCAP delivery assistance starting July 28, 2014.

Of the total \$25 million per year authorized for BCAP, up to 50 percent (\$12.5 million) is available each year to assist biomass owners with the cost of delivery of agricultural or forest residues for energy generation. Some BCAP payments will target the removal of dead or diseased trees from National Forests and Bureau of Land Management public lands for renewable energy, which reduces the risk of forest fire.

Farmers, ranchers or foresters who harvest and deliver forest or agricultural residues to a BCAP-qualified energy facility may be eligible for financial assistance for deliveries. The USDA Farm Service Agency (FSA), which administers BCAP, will begin accepting applications from biomass owners from July 28 through Aug. 25. Deliveries of residues for approved contracts may be made through Sept. 26, 2014.

# DIRECT FARM OWNERSHIP LOAN

September 30, 2014 is the deadline for eligible producers to borrow up to \$300,000 in direct farm ownership loans. The loan is to buy or enlarge a farm, construct new farm buildings or improve structures, pay closing costs, or promote soil and water conservation and protection. The interest rate on select loans can be as low as 1.5 percent with up to 40 years to repay.

FSA encourages all interested applicants to apply for direct farm ownership loans. For more information about the program and other loans administered by FSA, visit any FSA county office or <u>www.fsa.usda.gov</u>.

### LIVESTOCK DISASTER ASSISTANCE SIGN-UP UNDERWAY

Livestock disaster program enrollment opened on April 15, 2014. These disaster programs are authorized by the 2014 Farm Bill as permanent programs and provide retroactive authority to cover losses that occurred on or after Oct. 1, 2011.

To expedite applications, all producers who experienced losses are encouraged to bring records documenting those losses to their local FSA Office. Producers should record all pertinent information of natural disaster consequences, including:

- Documentation of the number and kind of livestock that have died, supplemented if possible by photographs or video records of ownership and losses
- Dates of death supported by birth recordings or purchase receipts
- Costs of transporting livestock to safer grounds or to move animals to new pastures
- Feed purchases if supplies or grazing pastures are destroyed
- · Crop records, including seed and fertilizer purchases, planting and production records

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.

#### 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 should submit a notice of loss and an application for payment to their local FSA office by January 30, 2015.

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

The enrollment deadline for the 2012 and 2013 Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) has been extended to Aug. 15, 2014. Originally, program sign-up was scheduled to end Aug. 1.

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. Producers who suffered eligible livestock, honeybee or farm-raised fish losses during 2012 and 2013 program years must submit a notice of loss and application for payment to their local FSA office by August 15, 2014. For 2014 program year losses, the notice of loss and an application for payment must be submitted by November 1, 2014.

For more information, producers can review the LFP, LIP and ELAP Fact Sheets on the <u>Farm Bill webpage</u>. Producers are encouraged to make an appointment with their local FSA office to apply for these programs.

#### **Margin Protection Program for Dairy Producers**

The 2014 Farm Bill authorized the Margin Protection Program (MPP-Dairy) for dairy producers. The new, voluntary risk management program replaces the Milk Income Loss Contract (MILC) program which expires on

Sept. 1, 2014.

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

Eligible producers may purchase coverage for their dairy operation by paying an annual administrative fee of \$100 and a premium, as applicable, for higher levels of coverage. Producers in the dairy operation will have to select a desired coverage level ranging from \$4.00 to \$8.00, in \$0.50 increments and a desired coverage percentage level ranging from 25 to 90 percent, in 5 percent increments. Producers will also have to decide whether or not to participate in the MPP-Dairy Program or the Livestock Gross Margin program administered by the Risk Management Agency (RMA), but they will not be allowed to participate in both.

# USDA NOTIFIES PRODUCERS ON ACREAGE HISTORY AND YIELDS

Written notifications from USDA are underway to farmers that provide updates on their current base acres, yields and 2009-2012 planting history.

Please cross check the letter from USDA with your farm records. If the information is correct, no further action is needed at this time, but if our letter is incomplete or incorrect, contact your local FSA office as soon as possible.

Verifying the accuracy of data on a farm's acreage history is a required early step for enrolling in the upcoming Agriculture Risk Coverage (ARC) program and the Price Loss Coverage (PLC) program. Later this summer, farmers and ranchers will have an opportunity to update their crop yield information and reallocate base acres.

By mid-winter all producers on a farm will be required to make a one-time, unanimous and irrevocable election between price protection and county revenue protection or individual revenue protection for 2014-2018 crop years. Producers can expect to sign contracts for ARC or PLC for the 2014 and 2015 crop years in the spring of 2015.

Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium grain rice (includes short grain rice and temperate japonica rice), safflower seed, sesame, soybeans, sunflower seed, and wheat. Upland cotton is no longer a covered commodity.

### USDA REMINDS FARMERS OF 2014 FARM BILL CONSERVATION COMPLIANCE CHANGES

Changes mandated through the 2014 Farm Bill require producers to have a Highly Erodible Land Conservation and Wetland Conservation Certification (AD-1026) on file.

For farmers to be eligible for premium support on their federal crop insurance, a completed and signed AD-1026 form must be on file with the FSA. Since many FSA and Natural Resource Conservation (NRCS) programs have this requirement, most producers should already have an AD-1026 on file. If producers have not filed, they must do so by June 1, 2015.

When a farmer completes the AD-1026, FSA and NRCS staff will outline any additional actions that may be required for compliance with the provisions. The Risk Management Agency, through the Federal Crop Insurance Corporation (FCIC), manages the federal crop insurance program that provides the modern farm safety net for American farmers and ranchers.

Since enactment of the 1985 Farm Bill, eligibility for most commodity, disaster, and conservation programs has been linked to compliance with the highly erodible land conservation and wetland conservation provisions. The 2014 Farm Bill continues the requirement that producers adhere to conservation compliance guidelines to be eligible for most programs administered by FSA and NRCS. This includes the new price and revenue protection programs, the Conservation Reserve Program, the Livestock Disaster Assistance programs and Marketing Assistance Loans implemented by FSA. It also includes the Environmental Quality Incentives Program, the Conservation Stewardship Program, and other conservation programs.

FSA recently released a revised form AD-1026, which is available at USDA Service Centers and online at: <a href="http://www.fsa.usda.gov">www.fsa.usda.gov</a>. USDA will publish a rule later this year that will provide details outlining the connection of conservation compliance with crop insurance premium support. Producers can also contact their local USDA Service Center for information. A listing of service center locations is available at <a href="http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/contact/local/">www.nrcs.usda.gov/wps/portal/nrcs/main/national/contact/local/</a>.

### USDA'S FARM SERVICE AGENCY (FSA) OFFERS FARM BILL WEBSITE AND ONLINE OVERVIEW OF FARM BILL PROGRAMS

The Agricultural Act of 2014 (the Act), also known as the 2014 Farm Bill, was signed by President Obama on Feb. 7, 2014. The Act repeals certain programs, continues some programs with modifications, and authorizes several new programs administered by the Farm Service Agency (FSA). Most of these programs are authorized and funded through 2018.

For the latest on 2014 Farm Bill programs administered by FSA, please visit our Farm Bill website at <u>www.fsa.usda.gov/farmbill</u> and for an FSA program overview please read, download and/or print our recently posted FSA Farm Bill Fact Sheet titled, <u>What's in the 2014 Farm Bill for Farm Service Agency Customers?</u>

For more information on FSA, please contact your local USDA Service Center or visit us online at <u>www.fsa.usda.gov</u>.

### DISASTER ASSISTANCE FOR 2012 FROST OR FREEZE FRUIT CROP LOSSES ANNOUNCED

Enrollment Begins Tomorrow, July 22

Producers who experienced losses to bush or tree fruit crops due to frost or freeze during the 2012 crop year may be eligible for assistance through the Noninsured Crop Disaster Assistance Program (NAP). The program, authorized by the 2014 Farm Bill, provides supplemental NAP payments to eligible producers.

Farmers who did not have access to crop insurance and are in primary and adjacent counties that received a Secretarial disaster designation because of frost or freeze in 2012 are eligible for NAP assistance. Losses due to weather damage or other adverse natural occurrences may also qualify for program assistance.

NAP enrollment began July 22, 2014. Applications must be submitted to FSA county offices by Sept. 22, 2014.

To expedite applications, producers who experienced losses are encouraged to collect records documenting these losses in preparation for sign-up. Producers also are encouraged to contact their FSA county office to schedule an appointment. Limited resource, socially disadvantaged, and beginning producers are eligible for premium reductions and also may be eligible for fee reductions.

Interested producers can view the 2012 NAP Coverage for Frost, Freeze or Weather Related Fruit Losses Fact Sheet at <u>http://go.usa.gov/5kSQ</u>, or visit a local FSA office

## TREE ASSISTANCE PROGRAM (TAP) SIGN-UP CONTINUES

As of Tuesday, April 15, 2014, orchardists and nursery tree growers who experienced losses from natural disasters that occurred on or after Oct. 1, 2011, can sign up for the Tree Assistance Program (TAP). TAP was authorized by the Agricultural Act of 2014 as a permanent disaster program. 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 15 percent 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.

### FILING FOR NAP LOSSES

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) and crop insurance, 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.

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.

### 2014 MAL AND LDP REQUESTS

The USDA Farm Service Agency (FSA) is accepting requests for marketing assistance loans (MALs) and loan deficiency payments (LDPs) for eligible 2014 commodities.

MALs and LDPs for the 2014 crop year become available to eligible producers beginning with harvest/shearing season and extending through a specific commodity's final loan availability date. Sugar commodity loans for the 2014 crop will be available to sugar processors beginning Oct. 1, 2014.

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, rice, peanuts, cotton, wool, mohair and honey. MALs provide producers interim financing after harvest to help them meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available. Marketing loan provisions and LDPs are not available for sugar and extra-long staple cotton.

The 2014 Farm Bill also establishes payment limitations per individual or entity not to exceed \$125,000 annually on certain commodities for the following program benefits: price loss coverage payments, agriculture risk coverage payments, marketing loan gains (MLGs) and LDPs. These payment limitations do not apply to MAL loan disbursements.

Adjusted Gross Income (AGI) provisions were modified by the 2014 Farm Bill, which states that a producer whose total applicable three-year average AGI exceeds \$900,000 is not eligible to receive an MLG or LDP.

National and county loans rates for 2014 crops are posted on the FSA website at: <u>www.fsa.usda.gov/pricesupport</u>.

For more information, please visit a nearby USDA Service Center or FSA's website www.fsa.usda.gov.

# IMPORTANT COLORADO FSA DATES/DEADLINES:

- Aug. 15: 2012 and 2013 Emergency Assistance for Livestock and Honeybees (ELAP) Notice of Loss and Application for Payment Deadline
- Sept. 1: USDA Service Centers Closed for Labor Day Federal Holiday
- Sept. 1: 2015 Crop Year NAP Sales Closing Date for Fall Seeded Annual Crops including Asparagus, Caneberries, Canola, Speltz, Garlic, Rye, Triticale and Value Loss crops.
- Sept. 26: Deadline to Request a Reconstitution for 2014
- Sept. 30 2015 Crop Year NAP Sales Closing for Wheat and Barley
- Nov. 1: 2014 ELAP Notice of Loss and Application for Payment Deadline
- Nov. 3: FSA County Committee Election ballots mailed to eligible voters
- Nov. 17: 2015 Crop Year FSA Acreage Reporting Deadline for Fall Seeded: Grass, Mixed Forage, Alfalfa, Clover, the year of seeding (annual and perennial types), Established Grass, Mixed Forage, Alfalfa, Clover in years subsequent to the year of seeding (perennial types), Apiculture, Fall Wheat, and all other Fall-Seeded Small Grains crops with sales closing date of Sept. 1.
- Nov 20: 2015 Crop Year NAP Sales closing for Apples, Apricots, Cherries, Grapes, Hops, Nectarines, Peaches, Pears, Plums and Prunes
- Dec. 1: Last day to return voted ballots to the local FSA County Office
- **Dec. 1:** 2015 Non-insured Crop Disaster Assistance Program (NAP) Sales Closing Date for 2015 Honey, Alfalfa, Grass, Mixed Forages, Clover, Mustard and Vetch
- Jan. 1: Newly elected County Committee Members take office
- Jan 15: Acreage report Date for Crops with Sales Closing date of November 20.
- Jan. 30: 2011, 2012, 2013 & 2014 LFP, LIP Notice of Loss and Application for Payment Deadline
- Jan 30: Deadline to submit Tree Assistance Program (TAP) Application for Payment and Supporting Documentation for Loss for 2011, 2012, 2013 and 2014 (or 90 days after disaster event or loss was apparent)

To reach your local FSA County Office go to http://offices.sc.egov.usda.gov/locator/app.

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).