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North Carolina FSA Newsletter

North Carolina Farm Service Agency

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USDA Extends Margin Protection Program for Dairy Enrollment Deadline

USDA announced that it will extend the deadline for dairy producers to enroll in the Margin Protection Program (MPP) for Dairy to Dec. 16, 2016, from the previous deadline of Sept. 30. This voluntary dairy safety net program, established by the 2014 Farm Bill, provides financial assistance to participating dairy producers when the margin – the difference between the price of milk and feed costs – falls below the coverage level selected by the producer. A USDA web tool, available at www.fsa.usda.gov/mpptool, allows dairy producers to calculate levels of coverage available from MPP based on price projections.

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To find contact information for your local office go to www.fsa.usda.gov/nc

Dates to Remember:
Columbus Day Holiday -
October 10, 2016
(Offices closed)

North Carolina FSA Offers Free Services for Persons With Limited English Proficiency (LEP)

Limited English Proficiency (LEP) services are now available to recipients of federal program benefits to ensure programs and activities normally provided in English are accessible to LEP persons and that individuals are not discriminated against based on national origin. The LEP requirement to provide language assistance will help eliminate communication barriers with LEP persons at no cost to the individual.

Forms and documents related to disaster programs; socially disadvantaged, limited resource and beginning farmer or rancher certification; FSA programs fact sheets and application packages for loan assistance have been translated in Spanish, Hmong, Russian, Vietnamese and Chinese.

By connecting with a dedicated remote interpretation phone line, FSA employees throughout North Carolina can assist individuals over the phone, during farm visits as well as visits to the USDA Service Center. Translation of written documents will be handled on an as-needed, case-by-case basis.

For additional questions, contact Alicia Bridges, State LEP Point of Contact at (919) 875-4803 or Alicia.bridges@nc.usda.gov.

USDA Climate Hub Building Block: Conservation of Sensitive Lands

USDA Climate Hubs are working with producers, ranchers, pasture and forest landowners to effectively partner in ways to help reduce climate change. To aid in this partnership, USDA established the 10 Building Blocks for Climate Smart Agriculture and Forestry.

One such Building Block is the "Conservation of Sensitive Lands". The term "sensitive lands" denotes soils and landscapes that are valuable due to properties (e.g., high organic matter, wet hydrology) and/or function (e.g., wildlife habitat, filtration, and hydrologic storage). Typical examples of these soils are organic rich histosols, floodplains, or wetlands along riparian areas. Properties and functions of these soils are easily disrupted from agricultural or urban land use.

Sensitive lands that are used for agricultural production can be protected by changes in land use (long-term cover). This reduction in land use intensity can provide multiple environmental benefits,

including substantial GHG mitigation that occurs as carbon is sequestered or preserved in soils and vegetation. When land is removed from crop production, several activities—including tillage, nitrogen fertilization, and energy use—are substantially reduced or eliminated, generating additional GHG mitigation.

FSA and NRCS are committed to identifying these sensitive lands and encouraging landowners, farmers, and ranchers to voluntarily adopt conservation systems--using financial and technical assistance--to generate GHG benefits. To read more about Conservation of Sensitive Lands, click the following link: http://www.usda.gov/oce/climate_change/building_blocks/4_SensitiveLands.pdf

For more information about the USDA Climate Hubs click here:

<http://www.climatehubs.oce.usda.gov/>

Disaster Set-Aside (DSA) Program

FSA borrowers with farms located in designated primary or contiguous disaster areas who are unable to make their scheduled FSA loan payments should consider the Disaster Set-Aside (DSA) program.

DSA is available to producers who suffered losses as a result of a natural disaster and is intended to relieve immediate and temporary financial stress. FSA is authorized to consider setting aside the portion of a payment/s needed for the operation to continue on a viable scale. Borrowers must have at least two years left on the term of their loan in order to qualify.

Borrowers have eight months from the date of the disaster designation to submit a complete application. The application must include a written request for DSA signed by all parties liable for the debt along with production records and financial history for the operating year in which the disaster occurred. FSA may request additional information from the borrower in order to determine eligibility.

All farm loans must be current or less than 90 days past due at the time the DSA application is complete. Borrowers may not set aside more than one installment on each loan.

The amount set-aside, including interest accrued on the principal portion of the set-aside, is due on or before the final due date of the loan.

For more information, contact your local FSA farm loan office.

USDA Offers New Loans for Portable Farm Storage and Handling Equipment

Portable Equipment Can Help Producers, including Small-Scale and Local Farmers, Get Products to Market Quickly

USDA's Farm Service Agency (FSA) will provide a new financing option to help farmers purchase portable storage and handling equipment. The loans, which now include a smaller microloan option with lower down payments, are designed to help producers, including new, small and mid-sized producers, grow their businesses and markets.

The program also offers a new "microloan" option, which allows applicants seeking less than

\$50,000 to qualify for a reduced down payment of five percent and no requirement to provide three years of production history. Farms and ranches of all sizes are eligible. The microloan option is expected to be of particular benefit to smaller farms and ranches, and specialty crop producers who may not have access to commercial storage or on-farm storage after harvest. These producers can invest in equipment like conveyers, scales or refrigeration units and trucks that can store commodities before delivering them to markets. Producers do not need to demonstrate the lack of commercial credit availability to apply.

Earlier this year, FSA significantly expanded the list of commodities eligible for Farm Storage Facility Loan. Eligible commodities now include aquaculture; floriculture; fruits (including nuts) and vegetables; corn, grain sorghum, rice, oilseeds, oats, wheat, triticale, spelt, buckwheat, lentils, chickpeas, dry peas sugar, peanuts, barley, rye, hay, honey, hops, maple sap, unprocessed meat and poultry, eggs, milk, cheese, butter, yogurt and renewable biomass. FSFL microloans can also be used to finance wash and pack equipment used post-harvest, before a commodity is placed in cold storage.

To learn more about Farm Storage Facility Loans, visit www.fsa.usda.gov/pricesupport or contact a local FSA county office. To find your local FSA county office, visit <http://offices.usda.gov>.

USDA Offers Flood Impacted North Carolina Farmers and Ranchers Immediate Disaster Assistance

Farm Service Agency Stands Ready to Assist Agricultural Producers Slammed by Recent Heavy Rains

North Carolina Farm Service Agency (FSA) reminds farmers and ranchers across the state of federal farm program benefits that may be available to help eligible producers recover from recent heavy rains and flooding.

FSA offers disaster assistance and low-interest loan programs to assist agricultural producers in their recovery efforts following floods or similar qualifying natural disasters. Available programs and loans include:

Non-Insured Crop Disaster Assistance Program (NAP) - provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occur due to natural disasters (includes native grass for grazing). Eligible producers must have purchased NAP coverage for 2015 crops.

- Livestock Indemnity Program (LIP) - offers payments to eligible producers for livestock death losses in excess of normal mortality due to adverse weather. Eligible losses may include those determined by FSA to have been caused by hurricanes, floods, blizzards, wildfires, tropical storms, tornados lightening, extreme heat, and extreme cold. Producers will be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to their local FSA office within 30 calendar days of when the loss of livestock is apparent.

- Tree Assistance Program (TAP) – provides assistance to eligible orchardists and nursery tree growers for qualifying tree, shrub and vine losses due to natural disaster.

- Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) - provides emergency relief for losses due to feed or water shortages, disease, adverse weather, or other conditions, which are not adequately addressed by other disaster programs. ELAP covers physically damaged or destroyed livestock feed that was purchased or mechanically harvested

forage or feedstuffs intended for use as feed for the producer's eligible livestock. In order to be considered eligible, harvested forage must be baled; forage that is only cut, raked or windrowed is not eligible. Producers must submit a notice of loss to their local FSA office within 30 calendar days of when the loss is apparent. ELAP also covers up to 150 lost grazing days in instances when a producer has been forced to remove livestock from a grazing pasture due to floodwaters. For beekeepers, ELAP covers beehive losses (the physical structure) in instances where the hive has been destroyed by a natural disaster including flooding, high winds and tornadoes.

- Emergency Loan Program – Available to producers with agriculture operations located in a county under a primary or contiguous Secretarial Disaster designation. These low interest loans help producers recover from production and physical losses due to drought, flooding.
- Emergency Conservation Program (ECP) - provides emergency funding for farmers and ranchers to rehabilitate land severely damaged by natural disasters; includes fence loss.
- HayNet - is an Internet-based Hay and Grazing Net Ad Service allowing farmers and ranchers to share 'Need Hay' ads and 'Have Hay' ads online. Farmers also can use another feature to post advertisements for grazing land, specifically ads announcing the availability of grazing land or ads requesting a need for land to graze. www.fsa.usda.gov/haynet.

To establish or retain FSA program eligibility, farmers and ranchers must report prevented planting and failed acres (crops and grasses). Prevented planting acreage must be reported on form FSA-576, Notice of Loss, no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA).

For more information on disaster assistance programs and loans visit www.fsa.usda.gov/ or contact your local FSA Office. To find your local FSA county office, visit <http://offices.usda.gov>.

USDA Encourages Producers to Consider Risk Protection Coverage before Crop Sales Deadlines

The Farm Service Agency encourages producers to examine available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the applicable crop sales deadline.

Producers are reminded that crops not covered by insurance may be eligible for the Noninsured Crop Disaster Assistance Program (NAP). The 2014 Farm Bill expanded NAP to include higher levels of protection. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage, as well as discounted premiums for additional levels of protection."

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

USDA has partnered with Michigan State University and the University of Illinois to create an online tool at www.fsa.usda.gov/nap that allows producers to determine whether their crops are eligible for federal crop insurance or NAP and to explore the best level of protection for their operation. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production, with higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price, including coverage for organics and crops

marketed directly to consumers.

Deadlines for coverage vary by state and crop. To learn more about NAP visit www.fsa.usda.gov/nap or contact your local USDA Service Center. To find your local USDA Service Centers go to <http://offices.usda.gov>.

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at USDA's online Agent Locator: <http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#>. Producers can use the USDA Cost Estimator, <https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx>, to predict insurance premium costs.

Fire Management on CRP Acres

Landowners who participate in the Conservation Reserve Program (CRP) are responsible for fire management on their CRP acreage. Fireguard technical practices should be outlined in the Conservation Plan of Operations (CPO).

Landowners must complete the necessary management activities outside of the Primary Nesting Season. In North Carolina, the Primary Nesting Season is April 15 through September 15 for grazing benefits. The goal is to suppress the amount of fuel in the event of a wildfire while still promoting the diversity of the conservation cover.

FSA encourages producers to be proactive in preventing the spread of wildfire. Fire management includes installing firebreaks, which should be included in the contract support document and installed according to NRCS firebreak standards.

Barren firebreaks will only be allowed in high risk areas, such as transportation corridors, rural communities, and adjacent farmsteads. A conservationist must certify that there will not be an erosion hazard from the barren firebreak. If erosion becomes a problem, remedial action will be taken.

USDA Expands Microloans to Help Farmers Purchase Farmland and Improve Property

Producers, Including Beginning and Underserved Farmers, Have a New Option to Gain Access to Land

The U.S. Department of Agriculture (USDA) is offering farm ownership microloans, creating a new financing avenue for farmers to buy and improve property. These microloans are especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations.

The microloan program, which celebrates its third anniversary this week, has been hugely successful, providing more than 16,800 low-interest loans, totaling over \$373 million to producers across the country. Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013. Seventy percent of loans have gone to new farmers.

Now, microloans will be available to also help with farm land and building purchases, and soil and water conservation improvements. FSA designed the expanded program to simplify the application

process, expand eligibility requirements and expedite smaller real estate loans to help farmers strengthen their operations. Microloans provide up to \$50,000 to qualified producers, and can be issued to the applicant directly from the USDA Farm Service Agency (FSA).

This microloan announcement is another USDA resource for America's farmers and ranchers to utilize, especially as new and beginning farmers and ranchers look for the assistance they need to get started. To learn more about the FSA microloan program visit www.fsa.usda.gov/microloans, or contact your local FSA office. To find your nearest office location, please visit <http://offices.usda.gov>.

Selected Interest Rates for September

90-Day Treasury Bill -.250

Farm Operating Loans — Direct - 2.125

Farm Ownership Loans — Direct -3.125

Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher -1.50

Emergency Loans - 3.125

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).