USDA Farm Service Agency Programs for Beginning Farmers
Farm Service Agency

Overview

• Define Beginning Farmer
• Establishing Your Farms For Program Participation
• Farm Programs
• Farm Loan Programs
• COC Elections
Farm Service Agency

Defining Beginning Farmer
Beginning Farmer- Defined

- **Beginning farmer or rancher** means a person or legal entity, including all members, shareholders, partners, beneficiaries, etc., (as fits the circumstances) of an entity, who for a program year both:
  - Has not operated a farm or ranch in the previous consecutive 10 years, and
  - Will have, or has had, for the relevant period materially and substantially participated in the operation of a farm or ranch.
For legal entities to be considered a Beginning Farmer or Rancher:

- the requirements above must be met by all members
- All members must be related by blood or marriage

Producer will certify Beginning Farmer Status on form CCC-860
Farm Service Agency
Establishing Your Farms
Farm Service Agency

Establishing Your Farms

• If you are interested in participating in our programs please call or visit our office

  Tippecanoe County FSA Office
  1812 Troxel DR, STE C2
  Lafayette, IN 47909
  (765)474-9992 ext. 2

• What should you bring to your initial appointment?
  – Deeds
  – Entity Documents and member contact information (if applicable)
  – Cash Leases
  – Voided check (program payments are all made via direct deposit)
  – Other Personal Information needed (SSN, address, contact information, etc.)
Farm Service Agency
Farm Programs
Farm Service Agency

Farm Programs

• Agriculture Risk Coverage & Price Loss Coverage (ARCPLC)
• Conservation Reserve Program (CRP)
• Non-insured Crop Disaster Assistance Program (NAP)
• Marketing Assistance Loan Program (MAL)
• Farm Storage Facility Loan Program (FSFL)
• Livestock Indemnity Program (LIP)
• Livestock Forage Program (LFP)
• Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP)
Farm Service Agency

Agricultural Risk Coverage (ARC)

&

Price Loss Coverage (PLC)
## Covered Commodities for ARC/PLC

<table>
<thead>
<tr>
<th>Barley</th>
<th>Canola</th>
<th>Corn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crambe</td>
<td>Flaxseed</td>
<td>Garbanzo, Large</td>
</tr>
<tr>
<td>Garbanzo, Small</td>
<td>Grain Sorghum</td>
<td>Lentils</td>
</tr>
<tr>
<td>Mustard Seed</td>
<td>Oats</td>
<td>Peanuts</td>
</tr>
<tr>
<td>Peas, Dry</td>
<td>Rapeseed</td>
<td>Rice, Long Grain</td>
</tr>
<tr>
<td>Rice, Medium Grain</td>
<td>Safflowers</td>
<td>Sesame Seed</td>
</tr>
<tr>
<td>Soybeans</td>
<td>Sunflower Seed</td>
<td>Wheat</td>
</tr>
</tbody>
</table>
ARC/PLC is a “shallow loss” program that was implemented by the 2014 Farm Bill to provide assistance to farm operators when effective price is less than reference price (PLC), or actual revenue is less than the guarantee revenue (ARC-CO).

Owners and operators were allowed a one time opportunity to reallocate base acres, update farm yields, and elect into the program (PLC, ARC-CO, or ARC-IC) of their choice on each individual farm for the term of the current Farm Bill.

PLC and ARC-CO were selected on crop by crop basis on a farm. PLC crops and ARC-CO crops can be on the same farm.

NOTE: RMA’s SCO is an option for crops with PLC elected.

To be eligible for payment producer must meet actively engaged in farming, cash rent tenant provisions (if application), be in compliance with HELC/WC, and AGI.

Payment Limitation is $125,000
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Price Loss Coverage Program (PLC)

• Payments made when **effective price** is less than the **reference price** for a covered commodity.

• Reference Prices: Corn $3.70  Soybeans $8.40  Wheat $5.50

• Effective Price is the **higher** of Marketing year Average Price (MYA) for the crop or the National Loan Rate for the crop.

• Payments made on **85%** of base acres of the covered commodity.

• Payments are made regardless of the planting of the covered commodity.

**NOTE:** The reference price & national loan rate for each crop was set by statute and remains the same for all years of the farm bill.
Farm Service Agency

Price Loss Coverage Program (PLC)

- The **Reference Price & National Loan Rate** remains the same for the life of the 2014 farm bill:

<table>
<thead>
<tr>
<th>Crop</th>
<th>Reference Price</th>
<th>National Loan Rate</th>
<th>Max PLC Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barley</td>
<td>$4.95</td>
<td>$1.95</td>
<td>$3.00</td>
</tr>
<tr>
<td>Corn</td>
<td>$3.70</td>
<td>$1.95</td>
<td>$1.75</td>
</tr>
<tr>
<td>Oats</td>
<td>$2.40</td>
<td>$1.39</td>
<td>$1.01</td>
</tr>
<tr>
<td>Soybeans</td>
<td>$8.40</td>
<td>$5.00</td>
<td>$3.40</td>
</tr>
<tr>
<td>Wheat</td>
<td>$5.50</td>
<td>$2.94</td>
<td>$2.56</td>
</tr>
<tr>
<td>Grain Sorghum</td>
<td>$3.95</td>
<td>$1.95</td>
<td>$2.00</td>
</tr>
</tbody>
</table>
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Price Loss Coverage Program (PLC)

Example

• Farm #1: Corn Base: 100 acres PLC Yield: 142/bu

• Reference price for Corn is $3.70/bu.

• The Corn loan rate is $1.95/bu.

• If the marketing year average price, MYA, (hypothetical) is $3.50/bu, the PLC payment rate would be $0.20/bu ($3.70 reference price - $3.50 MYA).

PLC payment computation:

• 100 acres corn base X 85% X $0.20/bu X 142/bu = $2414.00

*Payments made after October 1 of the following year.
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Agricultural Risk Coverage-County (ARC-CO)

- Payments made when the ARC-CO Actual Revenue is less than the ARC-CO Guarantee (86% Benchmark) for a covered commodity.
  - County “Yield” data is used, not individual farm data
- The payment rate can be no higher than 10% of the ARC-CO Benchmark Revenue for the covered commodity.
- Payments made on 85% of base acres of the covered commodity.
- Payments are made regardless of the planting of the covered commodity.
ARC-CO Benchmark Revenue Calculation

- ARC-CO Benchmark Revenue calculated by multiplying:
  - 5 Year Olympic Average Yield: higher of:
    - County Yield for the crop
    - 70% of the county transitional yield (70%T)
  - 5 Year Olympic Average Price: higher of:
    - Market Year Average (MYA) price
    - Reference Price for the covered commodity.
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ARC-CO Payment Calculation

2014 Tippecanoe County Actual Payment Calculation:

Corn ARC-CO Benchmark Revenue Calculation:
  Benchmark Yield = 171/bu
  Benchmark Price = $5.29
  Benchmark Revenue = 171 x $5.29 = $904.59

Corn ARC-CO Guarantee Calculation:
  Guaranteed Revenue = $904.59 x 86% = $777.95

Corn ARC-CO Actual Revenue Calculation:
  County Actual yield = 207 bu.
  Greater of loan rate or MYA = $3.70 (MYA)
  Actual Revenue = 207 x $3.70 = $765.90

Corn ARC-CO:
  Guarantee $777.95
  Actual Revenue - $765.90
  Revenue Loss $12.05

Payment
  Corn base 100 acres x 85% x $12.05 = $1,024.25

***** 2014 Payment was then be reduced by 6.8% due to sequestration

Note: Maximum Payment Rate would be $90.46 (Benchmark Revenue $904.59 X 10%)
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Conservation Reserve Program (CRP)
Farm Service Agency

CRP Eligibility

• Who can participate?
  – Owner (must meet eligibility and AGI requirements)
  – Tenant (must meet eligibility and AGI requirements)

• How Does Land Meet Program Eligibility?
  – Owner must have owned the ground for 1 year
  – Must have been planted to a commodity crop 4 out of 6 years from 2008-2013
## Farm Service Agency

### CRP Stats as of 9/30/2015

24 Million Acre National Limit

<table>
<thead>
<tr>
<th>Level</th>
<th>Total Acres</th>
<th>General Acres</th>
<th>Continuous</th>
</tr>
</thead>
<tbody>
<tr>
<td>National</td>
<td>23,658,148</td>
<td>17,559,103</td>
<td>6,099,045</td>
</tr>
<tr>
<td>Indiana</td>
<td>228,372</td>
<td>92,016</td>
<td>136,356</td>
</tr>
</tbody>
</table>

| Expiring 9/30/16 | National | 1,910,408 | 1,533,657 | 376,751 |
|                 | Indiana  | 28,449    | 13,557    | 14,892  |
Farm Service Agency

General CRP

• Not currently in a General CRP sign-up period

• Last Sign-up SU49
  – December 1, 2015 – February 26, 2016

• Competitive Offers
  – Ranked Nationally
  – Environmental Benefits Index
Farm Service Agency

Continuous CRP

- Currently in SU48
- Protect environmentally sensitive ground
- May be enrolled in CRP at any time
- Offers are automatically accepted provided the land and producer meet certain eligibility requirements
- Not competitive (except grasslands)
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Continuous CRP- Options

- CCRP
- Marginal Pastureland
- SAFE
- CREP
- Wellhead Protection
- Grassland
Farm Service Agency

Continuous CRP- Practices
Farm Service Agency
Indiana’s Most Popular Practice
CP21 Filter Strips

• 15,333 practices and 49,740 acres
• 10,250 miles.....if average width is 40’
• Intercepts and filters nutrients from runoff
• Reduces erosion and traps sediment
• Provides habitat and corridors for wildlife
• Sequesters carbon
Farm Service Agency
Indiana’s Most Popular Practice
CP21 Filter Strips

• Be at least 20’ and not more 120’ in width
  – CREP must be 30’
  – Design specs in excess of 120’ must be documented by NRCS.

• Immediately adjacent and parallel to 1 of the following.....perennial stream, having perennial flow, seasonal stream, sink hole
Farm Service Agency
Indiana’s Most Popular Practice
CP21 Filter Strips

<table>
<thead>
<tr>
<th>Practice Number And Name</th>
<th>Continuous</th>
<th>General</th>
<th>Contract Length</th>
<th>SIP</th>
<th>PIP</th>
<th>Rental Rate Incentive</th>
<th>Maximum Maintenance Incentive Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>CP21, Filter Strip</td>
<td>X</td>
<td></td>
<td>10-15</td>
<td>Y</td>
<td>Y</td>
<td>Y (20 percent)</td>
<td>$0, $4, $5</td>
</tr>
</tbody>
</table>
Farm Service Agency
Indiana’s 2nd Most Popular Practice
CP8A-Grassed Waterway

• 18,664 acres on 15,687 practices

• Average is 1.2 acres per CP8A

• reduces the negative effects of water flow on cropland

• grass cover serves as natural filter, slowing the water flow and trapping sediment and nutrients in run-off
Farm Service Agency
Indiana’s 2nd Most Popular Practice
CP8A-Grassed Waterway

• always be installed to meet the minimum criteria to convey water off a field

• may be constructed to a width up to 2 times the minimum design standard if requested by the producer

• not to exceed a width of 100 feet
  – additional width seeding
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State Acres For Wildlife Enhancement (SAFE)

• Began in 2007

• States can address local wildlife conservation needs and install practices that benefit State wildlife objectives through targeted habitat restoration

• locally developed conservation proposals
## Farm Service Agency

### SAFE Acreage Allocations

<table>
<thead>
<tr>
<th>Priority Area/Practice</th>
<th>Acres Available</th>
<th>Acres Obligated</th>
<th>Acres Remaining</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indiana Bat</td>
<td>5,800.00</td>
<td>5,151.85</td>
<td>648.15</td>
</tr>
<tr>
<td>Sedge Wren Grasshopper Sparrow</td>
<td>8,050.00</td>
<td>7,362.46</td>
<td>687.54</td>
</tr>
<tr>
<td>Henslows Sparrow</td>
<td>11,675.00</td>
<td>10,856.69</td>
<td>818.31</td>
</tr>
<tr>
<td>Northern Bobwhite</td>
<td>16,275.00</td>
<td>16,250.16</td>
<td>0.00</td>
</tr>
<tr>
<td>Ring Neck Pheasant</td>
<td>10,000.00</td>
<td>9,978.76</td>
<td>0.00</td>
</tr>
<tr>
<td>American Woodcock</td>
<td>1,150.00</td>
<td>547.75</td>
<td>602.25</td>
</tr>
<tr>
<td>CP23</td>
<td>4,700.00</td>
<td>3,808.00</td>
<td>892.00</td>
</tr>
<tr>
<td>CP23A</td>
<td>5,129.00</td>
<td>4,691.76</td>
<td>437.24</td>
</tr>
</tbody>
</table>

As of: 6/10/16
Farm Service Agency

SAFE Practice - CP38C

Indiana Bat
SAFE - Indiana Bat Practices

CP38C CP3A
Hardwood Tree Planting

CP38C CP31
Bottomland Timber Establishment on wetland
Farm Service Agency
SAFE Practice- CP38E
Northern Bobwhite Quail
Farm Service Agency

SAFE – Bobwhite Quail Practices

CP38E_{CP2}
Permanent Native Grasses

CP38E_{CP4D}
Permanent Wildlife Habitat

CP38E_{CP25}
Rare and Declining Habitat
Farm Service Agency
SAFE Practice- CP38E
Ringneck Pheasant
SAFE – Bobwhite Quail Practices

CP38E_{CP2}
Permanent Native Grasses

CP38E_{CP4D}
Permanent Wildlife Habitat

CP38E_{CP25}
Rare and Declining Habitat
Farm Service Agency
SAFE Practice- CP38E
American Woodcock
Farm Service Agency

SAFE – American Woodcock Practices

CP38E CP4D
Permanent Wildlife Habitat
Farm Service Agency
Conservation Reserve Enhancement Program (CREP)
Farm Service Agency

Indiana CREP- Purpose

- Reduce runoff that contributes to high nonpoint source sediment, nutrient, pesticide, and herbicide losses from agricultural lands

- Alleviate water quality concerns by restoring buffers and wetlands in affected watersheds

- Enhance habitat of state and federally listed threatened and endangered species and other wildlife
Farm Service Agency

Indiana CREP- Practices

- CP2 – Permanent Native Grass (169)
- CP3A – Hardwood Tree Planting (18)
- CP4D – Permanent Wildlife Habitat (21)
- CP21 – Filter Strip (3,640)
- CP22 – Riparian Buffer (343)
- CP23 – Wetland Restoration (223)
- CP23A – Wetland Restoration Non Floodplain (1,470)
- CP31 – Bottomland Timber Establishment on Wetland (3,399)

Acreage enrolled for practice as of 9/30/15 in parentheses.
Farm Service Agency

Indiana CREP

Additional Incentives

• Pay higher incentives on annual rental rates in these areas – plus state incentives as follows:

  – CP23/23A - $950
  – CP3A, CP22, CP31 - $400
  – CP2, CP4D, CP21 - $100
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Wellhead Protection Areas
Farm Service Agency

Wellhead Protection Area Practices

• CP1 – Permanent Introduced Grasses/Legumes
• CP2 – Permanent Native Grasses
• CP3 – Tree Planting (Pine/Softwood)
• CP3A – Hardwood Tree Planting
• CP4B – Permanent Wildlife Habitat Corridors
• CP4D - Permanent Wildlife Habitat

10% incentive and SIP and PIP available.
Continuous CRP- Options

• CCRP Initiatives
  • Non Floodplain Wetlands
  • Floodplain Wetlands
  • Bottomland Hardwood
  • Upland Bird Habitat
  • HELI
Farm Service Agency

Wetland Restoration Initiatives- CP23/CP23A

- Areas that used to be wetlands but have been converted to ag use

- Indiana wetlands can include open water, marsh, wet meadows, forested habitat

- Restoration of wetlands and adjacent buffers results in erosion control, water quality improvement, and habitat.
Farm Service Agency
Wetland Restoration Initiative- CP23
Farm Service Agency

Wetland Restoration Initiative- CP23

• within the 100-year floodplain of a permanent river or stream

• includes a minimum of 51 percent hydric soils

• Upland buffer with maximum ratio of 3:1 (3 acres buffer for 1 acre wetland)
Farm Service Agency

Wetland Restoration Initiative- CP23A
Farm Service Agency

Wetland Restoration Initiative- CP23A

• Outside the 100-year floodplain

• Includes a minimum of 51 percent hydric soils

• Upland buffer with maximum ratio of 4:1 (4 acres buffer for 1 acre wetland)
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Bottomland Timber Establishment
CP31
Bottomland Timber Establishment - CP31

Bottomland Timber Establishment
• Wetlands within 100 year flood plain
• IDNR or TSP
• < 25% of site softwood species.
• At least three (3) different species of mast producing hardwoods
• entire area established to trees.
• Sites specific plan developed by IDNR
• Limited to 6,000 acres (non CREP). As of June 1, 2015; IN had 2,355 acres enrolled in CP31.
Farm Service Agency

Upland Bird Habitat

CP33
Upland Bird Habitat- CP33

- Food & cover for quail and upland birds in cropland areas
- 23,500 acreage limitation – Indiana
  - 14,200 enrolled
- 30’ minimum; 120’ maximum
- Pre-enrollment field must be 5 acres
- No Trees!
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Other Continuous CRP Practices

- CP 42 – Pollinator Habitat

- CP 5A – Field Windbreak

...and more!
Farm Service Agency

CRP Grasslands

• Working lands grazing program
• Is a competitive/ranked program
• Encourages management of grazing lands
  — CP87
  — CP88
  — CP42
Farm Service Agency
Noninsured Crop Disaster Assistance Program (NAP)
Farm Service Agency

NAP- Eligibility Requirements

• Owner or tenant with a risk/share of an eligible NAP crop
• Must complete application for coverage (and all required eligibility documentation)
• Must annually certify eligible crops by applicable reporting date
• Must report producer by crop production reporting date
Farm Service Agency

NAP- Limitations and Eligibility

• $125,000 payment limitation

• $900,000 AGI provision
Farm Service Agency

NAP- Eligible Crops

Any commercial agricultural crop (excluding livestock and their by-products), commodity, or acreage of a commodity grown for food or fiber, and commercial or industrial crops for which CAT or additional coverage (non-pilot) is not available
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**NAP- Eligible Crops**

- crops grown for food
- crops planted and grown for livestock consumption
- crops grown for fiber, excluding trees grown for timber, lumber, or paper
- aquaculture species, including ornamental (tropical) fish
- floriculture crops
- ornamental nursery (including propagation stock)
- Christmas tree crops/commodities
Farm Service Agency

NAP- Eligible Crops

• turfgrass sod
• sea oats and sea grass
• seed crops/commodities where the propagation stock is commercially produced for sale as seed stock for other eligible NAP crop production
• industrial crops (including those grown expressly for the purpose of producing a feedstock for renewable biofuel, renewable electricity, or bio based products)
Farm Service Agency

NAP- Ineligible Crops

• by-products resulting from processing or harvesting an eligible crop, such as peanut stover, oat straw, corn stover, wheat straw etc.

• nonornamental nursery plants, such as strawberry plants, orange trees, etc. Exception to this ineligibility could be plants grown as seed crops

• home gardens or crops not being produced for commercial sale

• experimental crops

• volunteer stands, except native forage

• livestock and their by-products

• trees grown for lumber, timber, or paper products
Farm Service Agency

NAP- Ineligible Crops

CAT or additional level of insurance coverage is available

Group Risk Protection insurance

Crop acreage for which individual coverage is available only as a pilot product is eligible for NAP assistance.
Farm Service Agency

NAP- Coverage Options

Basic CAT level coverage is still available at:

<table>
<thead>
<tr>
<th>Approved Yield</th>
<th>Average Market Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>50</td>
<td>55</td>
</tr>
</tbody>
</table>

Note: Average direct prices and HMP do not apply to Basic CAT level coverage.
Additional buy-up coverage is also available at:

<table>
<thead>
<tr>
<th>Yield Level</th>
<th>Price Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>50%</td>
<td>100%</td>
</tr>
<tr>
<td>55%</td>
<td>100%</td>
</tr>
<tr>
<td>60%</td>
<td>100%</td>
</tr>
<tr>
<td>65%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Note: Average Market Price may also be average direct market price and/or HMP when the producer elects Buy-Up

Note: Crops intended to be grazed are not eligible for coverage above the Basic CAT level (50/55)
Farm Service Agency

NAP- Required Information to Remain Eligible

To be eligible for NAP assistance, the following crop acreage information must be reported:

- Name of the crop (lettuce, clover, etc.);
- Type and variety (head lettuce, red clover, etc.);
- Location and acreage of the crop (field, sub-field, etc.);
- Share of the crop and the names of other producers with an interest in the crop;
- Type of practice used to grow the crop (irrigated or non-irrigated);
- Date the crop was planted in each field; and
- Intended use of the commodity (fresh, processed, etc.).

Producers should report crop acreage shortly after planting (early in the risk period) to ensure reporting deadlines are not missed and coverage is not lost.
Producers with NAP coverage must provide the following production information:

- The quantity of all harvested production of the crop in which the producer held an interest during the crop year;
- The disposition of the harvested crop, such as whether it is marketable, unmarketable, salvaged or used differently than intended; and
- Verifiable or reliable crop production records (when required by FSA).

When those records are required, producers must provide them in a manner that can be easily understood by the FSA county committee. Producers should contact the FSA office where their farm records are maintained for questions regarding acceptable production records.
Prevented Planting
File NOL within 15 days after the final planting date

Low Yield
• Hand harvested crops
  – Notify COF within 72 hours, \textit{and}
  – File NOL within 15 days of earlier of occurrence or loss becomes apparent
• Other crops as determined by DAFP
  – Notify COF within 72 hours, \textit{and}
  – File NOL within 15 days of earlier of occurrence or loss becomes apparent
Farm Service Agency

Marketing Assistance Loans (MAL)
Farm Service Agency
MAL Policy

Producer Eligibility For Disbursement

• Acreage report showing share in commodity

• Beneficial interest in commodity

• Compliance with following rules:
  – Conservation
  – Foreign person
  – Controlled substance
  – DCIA
Farm Service Agency
MAL Policy
Eligibility- Acreage Report

- FSA-578 showing a share in MAL requested crop

- Statutory requirement that **all cropland** on the farm be reported by the applicable final reporting date
  - If **all** cropland not reported by the applicable final reporting date, all production from that farm **not eligible** for MAL
Beneficial interest is both:

- control of the commodity
- title to the commodity
Farm Service Agency
MAL Policy
Eligibility- Requirements

- AGI compliance

- Actively engaged in farming, cash rent tenant & member contribution determinations made

- Compliance with conservation plan & AD-1026 required:
  - from producer & all affiliated producers accordingly
  - for both MAL disbursement & market loan gain repayments

- Payment limitation $125,000 annual limit for market loan gains, LDPs, ARC and PLC

**Note:** All members of an entity must meet these requirements & flags updated or entity percentage eligible for market loan gain reduced.
Farm Service Agency
MAL Policy
Marketing Authorizations

• Authorizes removal & delivery of farm-stored loan collateral to a buyer for sale with sale proceeds immediately used to repay loan

• Notifies buyer that CCC has a perfected security interest in specified quantity

• Must be requested before MAL collateral is moved

• Delivery evidence is required with repayment

• Producer specifies 15 or 30 day authorization period
Farm Service Agency
MAL Policy
Loan Rates & Loan Maturity

Tippecanoe 2015 Corn Loan Rate: 1.97
Tippecanoe 2015 Soybean Loan Rate: 5.12
Tippecanoe 2015 Wheat Loan Rate: 2.65

• Interest rate on each MAL for the term of the loan is locked in for the month in which the loan is approved (current loan rate is 1.625%)

• Loans mature after 9 months
Farm Service Agency

Farm Storage Facility Loans (FSFL)
The Farm Storage Facility Loan (FSFL) Program provides low-interest financing for producers to build or upgrade farm storage and handling facilities.

A producer may borrow up to $500,000 per loan, with a minimum down payment of 15 percent. Loan terms are up to 12 years, depending on the amount of the loan.

Loan applications should be filed in the administrative FSA office that maintains the farm’s records.
Farm Service Agency

FSFL- Eligible Producers

• Landowners, landlords, operators, or tenant.

• Producer of facility loan commodity.
  – Wheat, oats, barley, corn, oilseeds, soybeans harvested for grain.
  – Wheat, oats, barley, corn, grain sorghum harvest for other than grain.

• Demonstrates need for increased storage capacity.

• No delinquent Federal nontax debts as defined by DCIA.

• In compliance with HEL and wetland provisions

• In compliance with National Environmental Policy, FSA-850.

• In compliance with all local zoning, land use, and building codes.
Farm Service Agency

FSFL- Eligible Producers (Continued)

• Satisfactory credit history determined by CCC.
• Ability to repay debt resulting from FSFL.
• Provide proof of multi-peril crop insurance.
• Provide proof of all peril insurance on the storage facility and flood insurance when applicable.
• Has not been convicted under Federal or State Law of controlled substance violations.
Farm Service Agency
FSFL- Terms and Limits

• Loan Terms:
  – 3 years (microloans)
  – 5 years (microloans)
  – 7 years ($100,000 or less)
  – 10 years ($100,000.01-$250,000 can be 7- year or 10- year term)
  – 12 years ($250,000-$500,000 can be 7-, 10-, or 12-year term)

• Interest Rates:
  – Announced monthly.

  – The rate for term of a loan will be the rate in effect for the month of loan approval.

  – July 2016 Rates:
    • 3 year term: 1.000%
    • 5 year term: 1.250%
    • 7 year term: 1.500%
    • 10 year term: 1.750%
    • 12 year term: 1.875%
Farm Service Agency

FSFL- Terms and Limits

• The principal amount of a FSFL shall be 85% or less of the total net cost.

• $100 nonrefundable application fee collected at time of application.
Farm Service Agency
FSFL- Microloan Option

• Producers who select the FSFL microloan option can borrow up to $50,000, with the minimum down payment reduced to five percent and shorter loan terms. Producers can self-certify the storage needs of the eligible commodity and are not required to demonstrate storage needs based on production history.

• Applicants for all loans will be charged a nonrefundable $100 application fee.
Farm Service Agency

FSFL- Eligible Commodities

The following commodities are eligible:

- Corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley or minor oilseeds harvested as whole grain;
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain;
- Other grains (triticale, speltz and buckwheat);
- Pulse crops (lentils, chickpeas and dry peas);
- Hay;
- Honey;
- Renewable biomass;
- Fruits (includes nuts) and vegetables - cold storage facilities;
- Floriculture;
- Hops;
- Maple sap;
- Milk;
- Cheese;
The following commodities are eligible:

- Butter;
- Yogurt;
- Eggs;
- Meat/poultry (unprocessed);
- Rye; and
- Aquaculture (excluding systems that maintain live animals through uptake and discharge of water).
Farm Service Agency

FSFL- Environmental Evaluation Requirement

• These loans must be approved by the local FSA state or county committee before any site preparation and/or construction can be started.

• All loan requests are subject to an environmental evaluation. Accepting delivery of equipment, starting any site preparation or construction before loan approval may impede the successful completion of an environmental evaluation and may adversely affect loan eligibility.
Eligible new/used facilities and upgrades must have a useful life for at least the term of the loan.
Farm Service Agency
FSFL- Eligible Facilities, Equipment, and Upgrades

Eligible Facilities, Equipment, and Upgrades Include:

- Conventional cribs or bins;
- Oxygen-limiting structures and remanufactured oxygen-limiting structures;
- Flat-type storage structures;
- Electrical equipment and handling equipment (excluding the installation of electrical service to the electrical meter);
- Safety equipment, such as interior and exterior ladders and lighting;
- Equipment to improve, maintain or monitor the quality of stored grain;
- Concrete foundations, aprons, pits and pads, including site preparation, off-farm labor and material, essential to the proper operation of the grain storage and handling equipment;
Farmer Service Agency

FSFL- Eligible Facilities, Equipment, and Upgrades

Eligible Facilities, Equipment, and Upgrades Include:

- Renovation of existing farm storage facilities, under certain circumstances, if the renovation is for maintaining or replacing items;
- Grain handling and grain drying equipment determined by the Commodity Credit Corporation to be needed and essential to the proper operation of a grain storage system (with or without a loan for the storage facility);
- Structures that are bunker-type, horizontal or open silo structures, with at least two concrete walls and a concrete floor;
- Structures suitable for storing hay built according to acceptable design guidelines;
- Structures suitable for storing renewable biomass;
- Bulk tanks for storing milk or maple sap;
Farm Service Agency
FSFL- Eligible Facilities, Equipment, and Upgrades

Eligible Facilities, Equipment, and Upgrades Include:

• Cold storage buildings, including prefabricated buildings that are suitable for eligible commodities. Also may include cooling, circulating and monitoring equipment and electrical equipment, including labor and materials for installation of lights, motors and wiring integral to the proper operation of a cold storage facility; and

• Storage and handling trucks, including refrigerated trucks.
Farm Service Agency
FSFL- Eligible Facilities, Equipment, and Upgrades

<table>
<thead>
<tr>
<th>Other examples of equipment include but are not limited to the following:</th>
</tr>
</thead>
<tbody>
<tr>
<td>- baggers</td>
</tr>
<tr>
<td>- boxers</td>
</tr>
<tr>
<td>- brush polishers</td>
</tr>
<tr>
<td>- bulk bin tippers</td>
</tr>
<tr>
<td>- case palletizers</td>
</tr>
<tr>
<td>- cement flooring</td>
</tr>
<tr>
<td>- circulation fans</td>
</tr>
<tr>
<td>- cold dip tanks</td>
</tr>
<tr>
<td>- conveyors</td>
</tr>
<tr>
<td>- drying tunnels</td>
</tr>
<tr>
<td>- dumpers</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

Note:

- Eligible storage structures and handling equipment may be permanently affixed or portable.
- Facilities built for commercial purposes and not for the sole use of the borrower(s) are not eligible for financing.
Farm Service Agency

Livestock Indemnity Program (LIP)
Compensates eligible livestock owners and contract growers for eligible livestock deaths in excess of normal mortality on farms that occurred in the calendar year for which benefits are being requested as a direct result of an eligible adverse weather event or attacks by animals reintroduced into the wild by the Federal Government or protected by Federal law, including wolves and avian predators.
Farm Service Agency
LFP- Purpose

To provide compensation to eligible livestock producers who suffer grazing losses for covered livestock due to:

• drought conditions

• fire on Federally managed land

Note: Losses due to drought must occur during the normal grazing period for the specific type of grazing land.
Farm Service Agency

Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP)
Emergency assistance for producers of livestock, honey bees, and farm-raised fish to aid in the reduction of losses due to disease (including cattle tick fever), adverse weather, or other conditions, such as blizzards and wildfires, as determined by the Secretary.

Funds made available under this program shall be used to reduce losses caused by feed or water shortages, disease, or other factors as determined by the Secretary.

ELAP will cover losses resulting from transporting water to eligible livestock, beginning in 2014 program year (October 1, 2013).
Farm Service Agency
Farm Loan Program

The Farm Service Agency makes and guarantees loans and provides credit counseling and supervision to farmers and ranchers who are temporarily unable to obtain private, commercial credit.
Farm Service Agency
Farm Loan Program- Role

- We enthusiastically market FSA’s many direct and guaranteed FLP programs. They...
  - Facilitate the transfer of R/E to the next generation of farmers – average farmer age in 2012 census was 58.3
  - Help traditionally underserved and beginning farmers get started
  - Guide, direct and assist new ‘niche’ type operators
  - Keep existing farmers who are facing financial crises in business
  - Enable lenders to work with farmers who do not meet their lending criteria
Farm Service Agency
Farm Loan Program

- **Direct Loans**
  - Farm Ownership ($300,000 limit) – DP 1.5%, Joint 2.5%
  - Operating ($300,000 limit)
  - Emergency ($500,000 limit)
  - Microloans – OL and FO ($50,000 or less – aggregate)
  - Youth Loans ($5,000 or less)

- **Guaranteed Loans**
  - Farm Ownership, Conservation and Term Operating
  - Lines of Credit
  - G loan limit (aggregate) is $1,399,000 for FY 2016 – limit changes every October 1st
  - Usually charge a fee of 1.5% of amount guaranteed
## Farm Service Agency

**Direct and Guaranteed Dollars Loaned**

<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th># LOANS</th>
<th>DOLLARS</th>
<th>% OF FUNDS</th>
<th>AVERAGE LOAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>660</td>
<td>179 MILLION</td>
<td>81%</td>
<td>$271,333</td>
</tr>
<tr>
<td>2014</td>
<td>730</td>
<td>179 MILLION</td>
<td>79%</td>
<td>$245,495</td>
</tr>
<tr>
<td>2013</td>
<td>491</td>
<td>123 MILLION</td>
<td>85%</td>
<td>$250,509</td>
</tr>
<tr>
<td>2012</td>
<td>625</td>
<td>151 MILLION</td>
<td>83%</td>
<td>$242,155</td>
</tr>
<tr>
<td>2011</td>
<td>677</td>
<td>171 MILLION</td>
<td>82%</td>
<td>$253,300</td>
</tr>
<tr>
<td>2010</td>
<td>594</td>
<td>116 MILLION</td>
<td>77%</td>
<td>$194,900</td>
</tr>
<tr>
<td>2009</td>
<td>509</td>
<td>105 MILLION</td>
<td>81%</td>
<td>$206,200</td>
</tr>
<tr>
<td>2008</td>
<td>536</td>
<td>107 MILLION</td>
<td>83%</td>
<td>$199,500</td>
</tr>
<tr>
<td>2007</td>
<td>501</td>
<td>94 MILLION</td>
<td>81%</td>
<td>$188,000</td>
</tr>
<tr>
<td>2006</td>
<td>489</td>
<td>83 MILLION</td>
<td>81%</td>
<td>$170,000</td>
</tr>
</tbody>
</table>
Farm Service Agency

FY 2015 Highlights

- 132 direct FO loans for ~$25.5 million
- 36.4% of all funds obligated went to beginning farmers and/or traditionally underserved
- 0.7% direct loan delinquency rate
- 0.61% guaranteed loan delinquency rate
- 0.2% direct loan loss rate
- 0.064% guaranteed loan loss rate
Farm Service Agency

FLP Basic Eligibility Criteria

- Unable to get credit elsewhere *
- Must be actively engaged in farming
- Family sized farmer *
- Sufficient training and experience

* not applicable to Conservation Loans
Farm Service Agency

FLP Contacts

- Farm Loan Manager or Farm Loan Officer in any of Indiana’s 9 Farm Loan Program offices
- Any other FSA office will direct you to the appropriate Farm Loan Office
- Indiana State Office: 317-290-3030
- http://www.fsa.usda.gov/
Farm Service Agency

County Committee

Elections
Farm Service Agency

2016 FSA County Committee Elections

County Committee ELECTIONS 2016

June 15, 2016  The nomination period begins. Request nomination forms from the local USDA Service Center or obtain online at http://www.fsa.usda.gov/elections

Aug. 1, 2016  Last day to file nomination forms at the local USDA Service Center

Nov. 7, 2016  Ballots mailed to eligible voters

Dec. 5, 2016  Last day to return voted ballots to the USDA Service Center

Jan. 1, 2017  Newly elected county committee members take office

FSA COUNTS ON YOU:

NOMINATE AND VOTE!

USDA is an equal opportunity provider, employer, and lender.
Farm Service Agency

Tippecanoe County Committee

Debra Kerkhove, Vice Chairperson (LAA 1)
Michael Peabody, Member (LAA 2)
David Swank, Chairperson (LAA 3)
2016 FSA County Committee Elections

What are FSA County Committees?

- Locally-elected Farmers and Ranchers
- apply judgment and knowledge to help with decisions necessary to administer FSA programs in their counties
USDA encourages all eligible farmers and ranchers to participate in the county committee election process
2016 FSA County Committee Elections

Why Are County Committees Important?

Make Decisions on:

- Price support loans & payments
- Acreage verification
- Conservation programs
- Incentive, indemnity & disaster payments
- Payment eligibility
2016 FSA County Committee Elections
Who Serves on County Committees?

Producers participating/cooperating in an FSA-administered program who:

- Live in the local administrative area
- Are of legal voting age
2016 FSA County Committee Elections
Committee Basics

- 3 - 11 members
- 3 - year terms
- Advisors appointed annually to represent women & minority interests
2016 FSA County Committee Elections
How do I participate in the County Committee elections?

• Nominate
• Vote
• Inform others
2016 FSA County Committee Elections

Timeline

- June 15, 2016 - Nomination period begins. Request nomination forms from the local USDA Service Center or obtain online at www.fsa.usda.gov/news-room/county-committee-elections/index
- Aug. 1, 2016 - Last day to file nomination forms at the local USDA Service Center
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2016 FSA County Committee Elections
Nominating

- Runs June 15 – August 1
- Nominate yourself or others
- Forms available online or from FSA office
- Must sign form
2016 FSA County Committee Elections

Voting

- Period runs Nov. 7 – Dec. 5, 2016
- Voters cast 1 vote per county office jurisdiction

FSA County Committee Elections

August 1 is the deadline to get your name on the FSA County Committee Election Ballot. Visit your local FSA Office or USDA Service Center to learn how you can have a voice and take a seat on your area Farm Service Agency County Committee.

Visit us online at www.fsa.usda.gov for nomination forms and more information.
2016 FSA County Committee Elections

Eligible Voters

- Ag producers of legal voting age participating in FSA programs, or younger person supervising/conducting entire farm operation
- Individual Voters
  - Eligible to vote on one’s own right
  - Partner in a general partnership
  - Member of a joint venture
- Nonindividual voters
  - Corporation, estate, trust, limited partnership or other business enterprise
  - State, political subdivision of state or state agency
- Spouses in community property states
- American Indian tribal members
  - If Ag land is tribally owned or held in trust for tribe by U.S.
2016 FSA County Committee Elections

Where Can I Get More Information?

Visit your local FSA office

or

Go online: www.fsa.usda.gov/elections