



United States Department of Agriculture

A photograph of several cows of various colors (brown, black, and white) standing in a grassy field. The image is partially obscured by a large green oval containing text.

Farm Service Agency

2019 SART Conference

Emergency Programs &
Farm Loan Programs Overview

JUSTIN W. TEUTON



Farm Service Agency (FSA) Overview

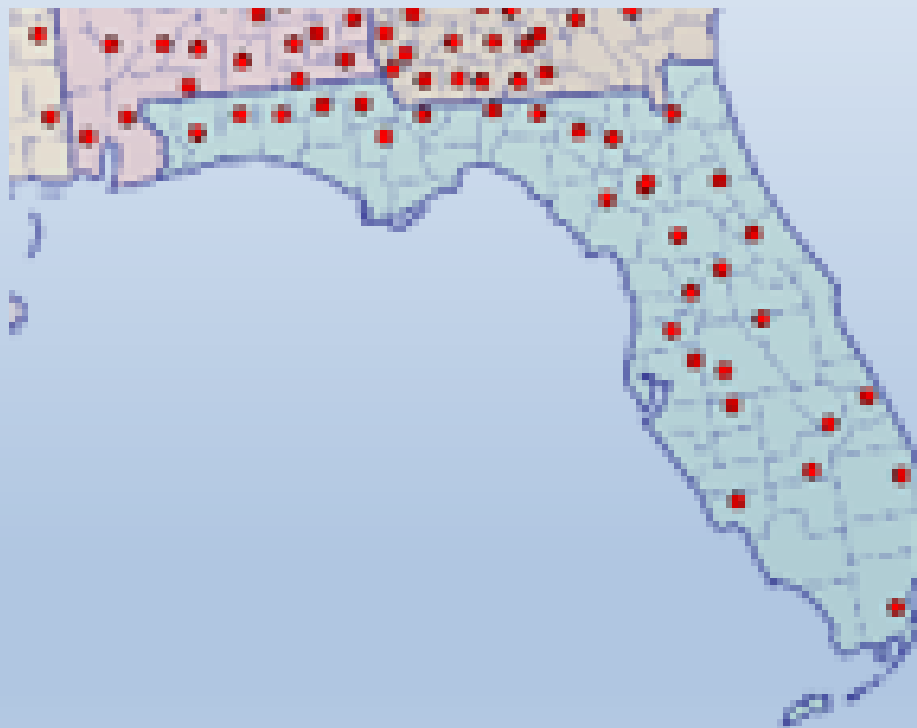
- Part of U.S. Department of Agriculture (USDA), under the new Farm Production and Conservation mission area:
 - Farm Service Agency (FSA)
 - Risk Management Agency (RMA)
 - Natural Resources Conservation Service (NRCS)
- FSA delivers farm programs and loans to help agricultural producers, partner organizations provide food, fuel, fiber



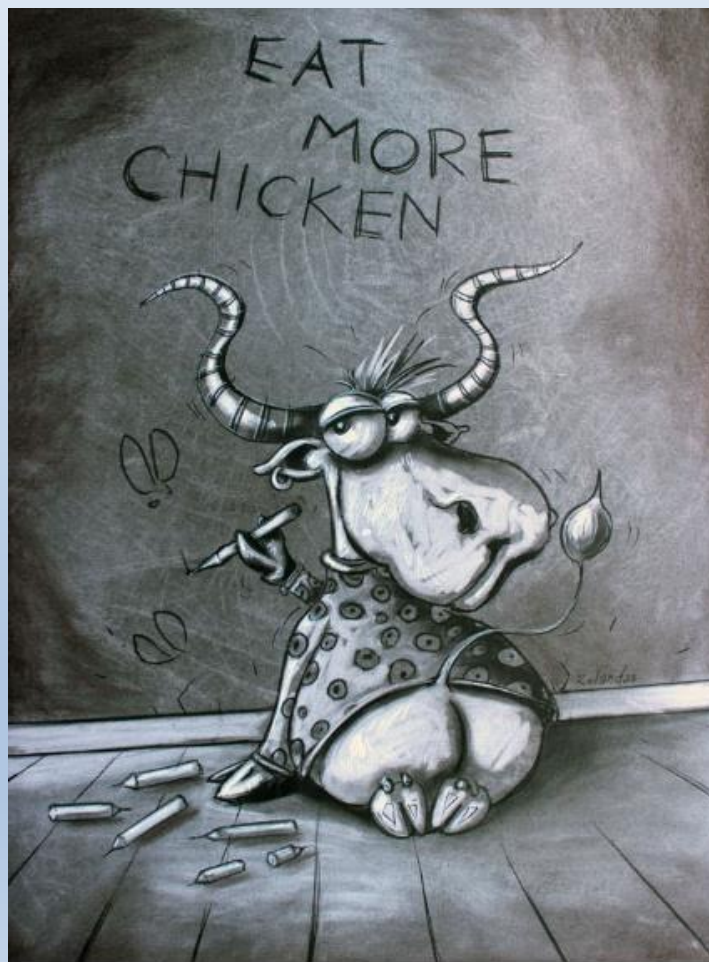
Farm Service Agency (FSA) Overview

FSA in Florida – Local Service, Local Impact

- Approximately 101 full-time FSA employees in Florida
- 30 Service Centers across Florida, serving all 67 counties
- State Office in Gainesville



Getting Started





Determine Your Needs

- Disaster Assistance
 - Livestock losses; Property, equipment damage
- Commodity, Price Support
 - Protect against market losses
- Conservation Efforts
 - Protect endangered wildlife; reduce erosion
- Farm Loans
 - Start new operation
 - Expand production, equipment
 - Begin specialty/niche operation
 - Sustain farming operations
 - Recover from natural disasters

FSA Florida Webpage - www.fsa.usda.gov/fl

USDA Service Centers - offices.usda.gov

FSA National Webpage – www.fsa.usda.gov

Farmers.gov Webpage – www.farmers.gov

Disaster Assistance Discovery Tool - <https://www.farmers.gov/recover/disaster-assistance-tool#step-1>



What to Bring to Your FSA Office

- Proof of Identity
 - Valid driver's license, passport, other personal identification
 - Social Security card or IRS paperwork that verifies an Employer Identification Number
 - Original documents required
- Proof of farm/ranch ownership (if recording ownership)
 - Copy of recorded deed
- Lease agreement (if identifying lease)
- Entity Identification Status (if recording entity)
 - Articles of incorporation
 - Trust & estate documents
 - Partnership agreement



GovDelivery

- FSA's electronic news service delivers important state and local program information instantly
 - State Newsletters, County News Bulletins, Time-Sensitive local text messages
 - Subscribe at your local Service Center
 - Subscribe online at www.fsa.usda.gov/fl on Main Page
 - SMS Alerts: Important, time-sensitive text messages from your local FSA office
 - Text FL and your county name (no spaces) to FSANOW (372669)
 - Example: Recipient = FSANOW (372-669)
 Message = FLAlachua



Disaster Programs





Noninsured Crop Disaster Assistance Program (NAP)

- Provides financial assistance to producers of noninsurable crops to protect against natural disasters that result in lower yields or crop losses, or prevents crop planting
- Eligible producers are a landowner, tenant or sharecropper who shares in the risk of producing an eligible crop and is entitled to an ownership share of that crop
- Eligible causes of loss include the following natural disasters:
 - Damaging weather, such as drought, freeze, hail, excessive moisture, excessive wind, tornado or hurricanes;
 - Adverse natural occurrences, such as earthquake or flood; and
 - Conditions related to damaging weather or adverse natural occurrences, such as excessive heat, plant disease, volcanic smog (VOG) or insect infestation
 - **NOTE:** Most crops in Florida must be irrigated; therefore, drought is not an eligible cause of loss
- Coverage levels ranging from 50 to 65 percent of approved yield with amount of assistance not to exceed \$300,000 per crop year.



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

- Provides emergency assistance to eligible producers of livestock, honeybees and farm-raised fish. It covers losses due to an eligible adverse weather or loss condition, including blizzards and wildfires, as determined by the Secretary
- Provided for losses not covered by other disaster assistance programs
- The Bipartisan Budget Act removed \$125,000 payment limitation under Emergency Livestock Assistance Program.



Livestock Indemnity Program (LIP)

- Provide benefits to eligible livestock owners or contract growers for livestock deaths in excess of normal mortality caused by eligible loss conditions, including eligible adverse weather, eligible disease and eligible attacks
- Payments are based on national payment rates that are 75 percent of the market value of the applicable livestock as determined by the Secretary
- An owner's livestock must have either:
 - died in excess of normal mortality as a direct result of an eligible loss condition, or
 - been injured as a direct result of an eligible loss condition and were sold at a reduced price
- Eligible livestock must:
 - Have been maintained for commercial use as part of a farming operation on the day they died; and
 - Not have been produced or maintained for reasons other than commercial use as part of a farming operation



Livestock Forage Disaster Program (LFP)

- Provide compensations to eligible livestock producers who have suffered grazing losses for covered livestock on land that is native or improved pastureland with permanent vegetative cover or is planted specifically for grazing
- The grazing losses must be due to a qualifying drought condition during the normal grazing period for the county
- Livestock types under LFP include alpacas, beef cattle, buffalo/bison, beefalo, dairy cattle, deer, elk, emus, equine, goats, llamas, reindeer or sheep that have been or would have been grazing the eligible grazing land or pastureland:
 - During the normal grazing period for the specific type of grazing land or pastureland for the county;
 - Or When the federal agency excluded the livestock producer from grazing the normally permitted livestock on the managed rangeland due to fire
- \$125,000 payment limitation applies to LFP



Tree Assistance 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
- The Bipartisan Budget Act of 2018 made several changes to TAP, including removing the per person and legal entity program year payment limitation ceiling of \$125,000. It also increased the acreage cap, and growers are eligible to be partly reimbursed for losses on up to 1,000 acres per program year, double the previous acreage.



Dairy Margin Coverage Program (DMC)

- 2018 Farm Bill authorized the new Dairy Margin Coverage (DMC) program, which is a voluntary risk management program for dairy producers. DMC replaces the Margin Protection Program for Dairy (MPP-Dairy)
- Offers protection to dairy producers when the difference between the all milk price and the average feed price (the margin) falls below a certain dollar amount selected by the producer. The program provides:
 - catastrophic coverage, at no cost to the producer, other than an annual \$100 administrative fee that is waived in some cases; and
 - various levels of buy-up coverage
- Sign-up for the new Dairy Margin Coverage Program beginning mid-June providing coverage retroactive to January 1, 2019



Wildfires and Hurricane Indemnity Program (WHIP)

- **NOT AUTHORIZED FOR 2018 HURRICANES**

- Wildfire Recovery: FSA will determine eligibility for wildfire losses on an individual basis, factoring in the level of insurance coverage purchased by the producer. Wildfire recovery will also include mudslides and heavy smoke
- Hurricane Recovery: 2017 WHIP for hurricane losses and related conditions, such as excessive rain and flooding, will be available for eligible farms in counties that received a qualifying Presidential Emergency Disaster Declaration or Secretarial Disaster designation. This includes counties or parishes in at least nine states and territories – Alabama, Florida, Georgia, Louisiana, Mississippi, Puerto Rico, South Carolina, Texas and the Virgin Islands. Other crops, trees, bushes or vines outside of these identified counties may be eligible if the producer provides documentation the loss was caused by a 2017 hurricane



WHIP (Cont)

- **Wildfires and Hurricane Indemnity Program (WHIP)**
 - Citrus Growers in Florida: 2017 WHIP is directly reimbursing producers for crop production losses in 2018. In addition to WHIP, USDA is providing a grant to Florida, which is reimbursing citrus producers for the cost of buying and planting replacement trees, including resetting and grove rehabilitation, and for repair of damages to irrigation systems. This grant is also providing assistance for losses of citrus production expected during the 2019 and 2020 crop years.



Emergency Conservation Program (ECP)

- Provides emergency funding and technical assistance to farmers and ranchers to rehabilitate farmland damaged by natural disasters and to implement emergency water conservation measures in periods of severe drought
- The damage from the natural disaster or severe drought must create new conservation problems that if not dealt with would:
 - Further damage the land
 - Significantly affect the land's productive capacity
 - Represent damage from a natural disaster unusual for the area (an exception to this is damage from wind erosion)
 - Be too costly to repair without Federal assistance in order to return the land to agricultural production
- Up to 75% of the cost to implement emergency conservation practices can be provided
- Limit on payments of \$200,000 per person or entity per disaster applies through the 2014 Farm Bill (applicable to 2018 Hurricanes), the 2014 Farm Bill increased limit to \$500,000 per person or entity per disaster



Emergency Forest Restoration Program (EFRP)

- Helps the owners of non-industrial private forests restore forest health damaged by natural disasters. The EFRP does this by authorizing payments to owners of private forests to restore disaster damaged forests
- Land must be owned by a private individual, group, association, corporation or other private legal entity that has decision making authority on the land
- For land to qualify for EFRP funds, the damage from the natural disaster must create new conservation problems that if not dealt with would:
 - Harm the natural resources on the land
 - Significantly affect future land use
- Funding for EFRP is determined by Congress. Up to 75% of the cost to implement emergency conservation practices can be provided
- Limit on payments of \$500,000 per person or entity per disaster applies



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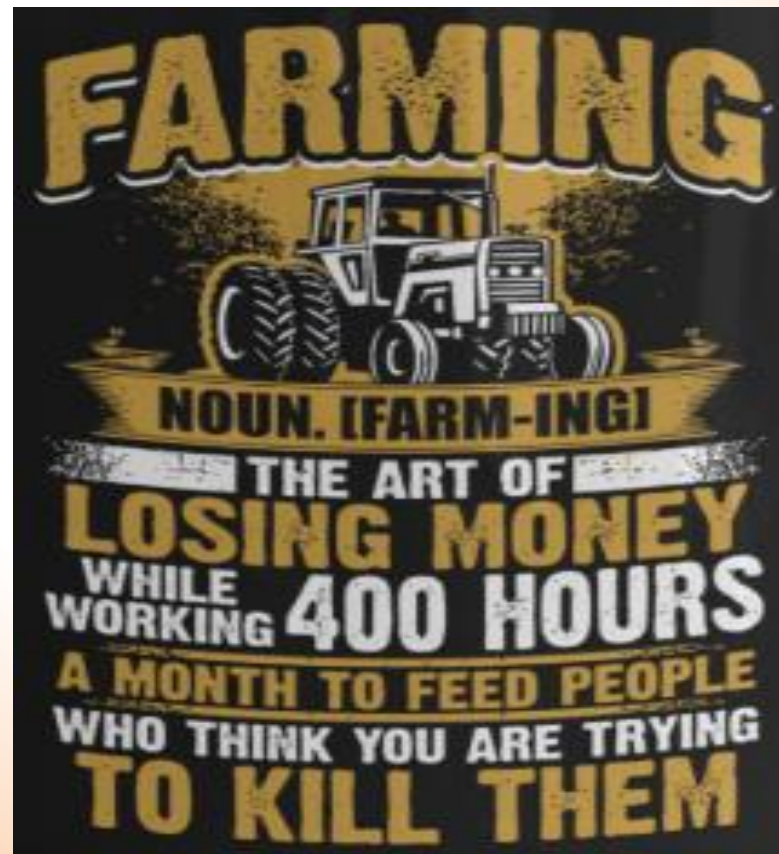
Disaster Assistance Discovery Tool

Demonstration

<https://www.farmers.gov/recover/disaster-assistance-tool#step-1>



FSA Farm Loan Programs





FSA Farm Loan Types

- **Direct Loan Program**
 - Direct Operating Loans – Up to \$400,000
 - Direct Farm Ownership Loans – Up to \$600,000
 - Operating Microloans – Up to \$50,000
 - Farm Ownership Microloans - Up to \$50,000
 - Emergency Loans – Up to \$500,000
 - Youth Loans – Up to \$5,000
- **Guaranteed Loan Program**
 - **From USDA - Approved Commercial Lenders**
 - Farm Operating Loans/Line of Credit – Up to \$1,750,000
 - Farm Ownership - Up to \$1,750,000
 - Conservation Loans - Up to \$1,750,000
 - Land Contract Guarantee - Up to \$500,000

FSA Farm Loan Programs

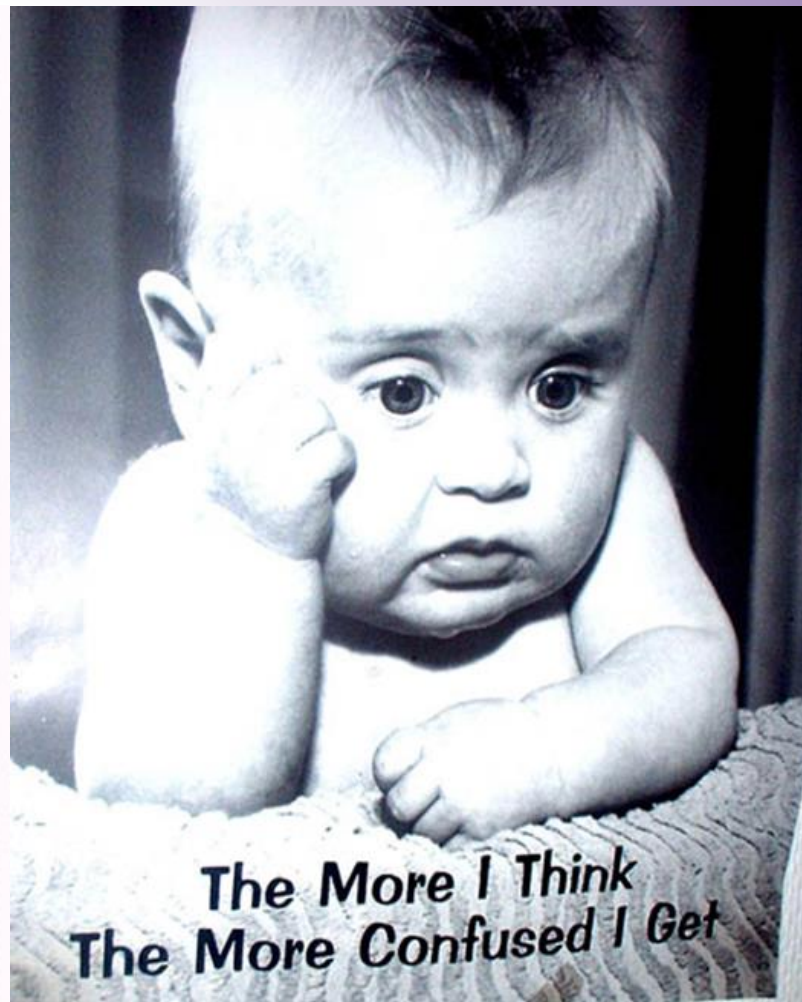
- Designed to help eligible family farmers, ranchers start, expand, change operation, and recover from natural disasters
 - All loan programs considered temporary source of credit
 - Borrower expected to return to conventional credit sources



Questions



Questions
are
guaranteed in
life;
Answers
aren't.



**The More I Think
The More Confused I Get**



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Farm Service Agency
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