### October 2019





# Farm Service Agency Electronic News Service

# NEWSLETTER

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# **Missouri FSA Newsletter**

### Missouri Farm Service Agency

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

<u>Click here</u> for the Missouri Department of Conservation Covey Headquarters newsletter.

# A Note from Your State Executive Director

Harvest reports are starting to trickle through the coffee shops. I have spoken to producers in the west-central region indicating they are harvesting the best yields ever recorded for their farms. It's great to hear some good harvest news from portions of Missouri, all the while remembering some producers will harvest no crop. With the 2019 harvest data, producers will reflect on the yield results compared to past years, to different seed varieties, and to various farming practices.

October 1 marked my first completed year with FSA. As I reflect back on this great experience, which I consider a privilege, I sincerely appreciate this opportunity to serve Missouri agriculture: from our producers, who till, plant, harvest, roundup, sort, doctor, and birth to produce a crop; to our FSA employees, who receive, collect, sort, process, load software, and finish with reporting this information to deliver various programs. From this opportunity to work with FSA customers and employees, I count this past year as my "best crop ever" in agriculture.

Best Regards,

Brent Hampy FSA State Executive Director

# **Program Reminders and Approaching Deadlines**

Signup is now open for the Market Facilitation Program (MFP), a USDA program to assist farmers who continue to suffer from damages because of unjustified trade retaliation from foreign nations. Through MFP, USDA will provide up to \$14.5 billion in direct payments to impacted producers, part of a broader trade relief package announced in late July. The sign-up period runs through Dec. 6.

Agricultural producers can now enroll in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs, two popular safety net programs, for the 2019 crop year. Interested producers must sign up for either program by March 15, 2020. The 2018 Farm Bill reauthorized and made updates to these two USDA FSA programs. ARC provides income support payments on historical base acres when actual crop revenue declines below a specified guarantee level. PLC program provides income support payments on historical base acres when the price for a covered commodity falls below its effective reference price.

Agricultural producers affected by natural disasters in 2018 and 2019 can apply through the Wildfire and Hurricane Indemnity Program Plus (WHIP+). Sign-up for this U.S. Department of Agriculture (USDA) program began Sept. 11. Contact your local office for more information, or visit farmers.gov.

Producers participating in FSA programs are reminded to maintain farm records and apply for benefits in accordance with their farming operation. Any updates, including a change in operator, tenant, shares, etc., should be reported to your local office in order to retain program eligibility.

# USDA Opens 2020 Enrollment for Dairy Margin Coverage Program; Ends Dec. 13, 2019

Dairy producers can now enroll in the <u>Dairy Margin Coverage (DMC)</u> for calendar year 2020. USDA's Farm Service Agency (FSA) opened signup today for the program that helps producers manage economic risk brought on by milk price and feed cost disparities.

The DMC program offers reasonably priced protection to dairy producers when the difference between the all-milk price and the average feed cost (the margin) falls below a certain dollar amount selected by the producer. The deadline to enroll in DMC for 2020 is Dec. 13, 2019.

Dairy farmers earned more than \$300 million dollars from the program in 2019 so far. Producers are encouraged to take advantage of this very important risk management tool for 2020.

All producers who want 2020 coverage, even those who took advantage of the 25 percent premium discount by locking in the coverage level for five years of margin protection coverage are required to visit the office during this signup period to pay the annual administrative fee.

Dairy producers should definitely consider coverage for 2020 as even the slightest drop in the margin can trigger payments.

### **More Information**

The 2018 Farm Bill created DMC, improving on the previous safety net for dairy producers. DMC is one of many programs that FSA and other USDA agencies are implementing to support America's farmers.

For more information on enrolling in DMC and taking advantage of an online dairy decision tool that assists producers in selecting coverage for 2020, visit the <u>DMC webpage</u>.

For additional questions and assistance, contact your local USDA service center. To locate your local FSA office, visit <u>farmers.gov/service-locator</u>.

## **Missouri Farm Service Agency is Hiring**

The Missouri Farm Service Agency is actively recruiting highly-motivated individuals to fill the County Operations Trainee (COT) positions. The vacancy announcement allows for 10 positions, with locations determined upon selection of the candidates. The deadline to apply is October 21, 2019.

The COT program focuses on best management practices and FSA program and policy implementation. Upon completion of the twelve-month program, the candidate will be certified to work as a County Executive Director (CED) in an FSA field office in Missouri. Upon placement as a CED, the candidate will work with local staff, the county committee, and farmers and ranchers in their respective county.

The COT position does require travel across the state, and, upon CED selection, candidates may be required to relocate within the state to serve in the selected county.

If you are interested or know of someone who might be interested, please share this information with them. Here is the direct link to the position with information on how to apply: <u>County Operations</u> <u>Trainee Vacancy Announcement</u>.

# Applications must be completed through USAJOBs no later than close of business October 21, 2019.

USDA is an equal opportunity provider, employer, and lender.

# **Policy Updates for Acreage Reporting**

The USDA Farm Service Agency (FSA) recently made several policy updates for acreage reporting for cover crops, revising intended use, late-filed provisions, grazing allotments as well as updated the definitions of "idle" and "fallow."

### **Reporting Cover Crops:**

FSA made changes to the types of cover crops. Cover crop types can be chosen from the following four categories:

- **Cereals and other grasses** Any cover crop that is classified as a grass plant or cereal grain, and would include, but not be limited to, the following cover crops: cereal rye, wheat, barley, oats, black oats, triticale, annual ryegrass, pearl millet, foxtail millet (also called German, Italian or Hungarian millet), sorghum sudan grass, sorghum and other millets and grasses.
- **Legumes** Any cover crop that is classified as a legume, including, but not limited to, clovers, vetches, peas, sun hemp, cowpeas, lentils and other legumes.

- **Brassicas and other broadleaves** Any cover crop that is classified as a non-legume broadleaf, including, but not limited to, Brassicas such as radishes, turnips, canola, rapeseed, oilseed rape, and mustards, as well as other broadleaf plants such as phacelia, flax, sunflower, buckwheat, and safflower.
- **Mixtures** Mixes of two or more cover crop species planted at the same time, for example, oats and radishes.
- If the cover crop is harvested for any use other than forage or grazing and is not terminated according to policy guidelines, then that crop will no longer be considered a cover crop and the acreage report must be revised to reflect the actual crop.

### Permitted Revision of Intended use After Acreage Reporting Date:

New operators or owners who pick up a farm after the acreage reporting deadline has passed and the crop has already been reported on the farm, have 30 days to change the intended use. Producer share interest changes alone will not allow for revisions to intended use after the acreage reporting date. The revision must be performed by either the acreage reporting date or within 30 calendar days from the date when the new operator or owner acquired the lease on land, control of the land or ownership and new producer crop share interest in the previously reported crop acreage. Under this policy, appropriate documentation must be provided to the County Committee's satisfaction to determine that a legitimate operator or ownership and producer crop share interest change occurred to permit the revision.

### Acreage Reports:

In order to maintain program eligibility and benefits, producers must timely file acreage reports. Failure to file an acreage report by the crop acreage reporting deadline may result in ineligibility for future program benefits. FSA will not accept acreage reports provided more than a year after the acreage reporting deadline.

# MAL and LDP Policy

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, rice, peanuts, cotton, wool 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.

FSA is now accepting requests for 2019 MALs and LDPs for all eligible commodities after harvest. Requests for loans and LDPs shall be made on or before the final availability date for the respective commodities.

Before MAL repayments with a market loan gain or LDP disbursements can be made, producers must meet the requirements of actively engaged in farming, cash rent tenant and member contribution.

Commodity certificates are available to loan holders who have outstanding nonrecourse loans for wheat, upland cotton, rice, feed grains, pulse crops (dry peas, lentils, large and small chickpeas), peanuts, wool, soybeans and designated minor oilseeds. These certificates can be purchased at the posted county price (or adjusted world price or national posted price) for the quantity of commodity under loan, and must be immediately exchanged for the collateral, satisfying the loan. MALs

redeemed with commodity certificates are not subject to the actively engaged in farming, cash-rent tenant, Adjusted Gross Income provisions or the payment limitation.

To be considered eligible for an LDP, producers must have form <u>CCC-633EZ</u>, <u>Page 1</u> on file at their local FSA Office before losing beneficial interest in the crop. Pages 2, 3 or 4 of the form must be submitted when payment is requested.

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 or redemptions using commodity certificate exchange.

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. Producers must have a valid CCC-941 on file to earn a market gain of LDP. The AGI does not apply to MALs redeemed with commodity certificate exchange.

For more information and additional eligibility requirements, please visit a nearby USDA Service Center or FSA's website <u>www.fsa.usda.gov</u>.

## **Reporting Wind Turbines Constructed on Cropland**

Producers who will have wind turbines constructed on their farms should notify the local Farm Service Agency office prior to the start of construction. Any area that is no longer considered suitable as cropland (producing annual or perennial crops) should be designated in FSA's records and aerial photography maps. When base acres on a farm are converted to a non-agricultural commercial or industrial use, the total base acres on the farm must be reduced accordingly. Noncropland areas used for wind turbines might impact payments calculated using base acres, such as Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) and Conservation Reserve Program (CRP) annual rental payments.

### **Supervised Credit**

Farm Service Agency (FSA) Farm Loan programs are considered supervised credit. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Therefore, it is our goal to help you graduate to commercial credit, and our farm loan staff is available to help borrowers through training and credit counseling.

The FSA team will help borrowers identify their goals to ensure financial success. Through this process, FSA staff will advise borrowers in developing strategies and a plan to meet your operation's goals and graduate to commercial credit. Ultimately, the borrower is responsible for the success of the farming operation, but FSA's staff will help in an advisory role to provide the tools necessary to help you achieve your operational goals and manage your finances.

For more information on FSA farm loan programs, visit www.fsa.usda.gov.

# **Elections for the 2019 County Committee**

Voting will soon open for the USDA's Farm Service Agency's (FSA) County Committees.

It is important that every eligible producer participate in these elections because FSA county committees are a link between the agricultural community and the USDA.

County committee members are a critical component of FSA operations. Committees should be comprised of members who reflect the diversity of producers involved in production agriculture. This means that producers representing underserved groups or communities should be on the committee to speak on behalf of their constituency.

Underserved producers are beginning, women and other minority farmers and ranchers and landowners and/or operators who have limited resources. Other minority groups including Native American and Alaska Natives; persons under the poverty level, and persons that have disabilities are also considered underserved.

County committee election ballots will be mailed to eligible voters on Nov. 4, 2019. The last day to return completed ballots to your local USDA service center is Dec. 2, 2019.

For more information on eligibility to serve on FSA county committees, visit: fsa,usda.gov/elections.

### **Interest Rates and Dates to Remember**

### **Selected Interest Rates for October 2019**

90-Day Treasury Bill	2.125%
Farm Operating Loans - Direct	2.625%
Farm Ownership Loans - Direct	3.250%
Farm Ownership Loans - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency Loans	3.625%
Farm Storage Facility Loans (3 years)	1.500%
Farm Storage Facility Loans (5 years)	1.500%
Farm Storage Facility Loans (7 years)	1.625%
Farm Storage Facility Loans (10 years)	1.625%
Farm Storage Facility Loans (12 years)	1.750%
Commodity Loans (1996-Present)	2.750%
Dates to Remember	
October 14, 2019	Columbus Day Holiday, USDA Service Center

October 14, 2019	Columbus Day Holiday. USDA Service Center
	Closed.
October 31, 2019	Final date to submit applications for the Organic
	Certification Cost Share Program (OCCSP) for
	fiscal 2019 funding.
November 1, 2019	Final date to submit an application for payment
	for 2019 losses under Emergency Assistance for

	Livestock, Honeybees and Farm-raised Fish Program (ELAP).
November 11, 2019	Veteran's Day Holiday. USDA Service Center Closed.
November 15, 2019	Final Date to Report 2020 Apiculture.
November 20, 2019	NAP application closing date for apples, apricots, grapes, nectarines, peaches, pears, plums and blueberries.
November 28, 2019	Thanksgiving Day Holiday. USDA Service Center Closed.

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