

September 2019



Farm Service Agency **Electronic News Service**

NEWSLETTER

GovDelivery

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.

[Click here](#) for the Missouri Department of Conservation Covey Headquarters newsletter.

A Note from Your State Executive Director

"Be safe" is often a parting end to many conversations, and with good reason. The U.S. Bureau of Labor Statistics data shows the agricultural sector is the most dangerous occupation in our country. Missouri's farmers and ranchers work hard to feed, clothe, and fuel the nation and the world. Farming can be very diverse, which makes it both interesting and demanding. Farm safety demands our full attention to the task at hand in this busy harvest season.

September 15 through 21 is proclaimed as 2019 National Farm Safety and Health week. This focus of farm safety dates to 1944, rooted in the traditional harvest season. This year's theme, "Shift Farm Safety into High Gear", is a great connection to farmers who are shifting into harvest mode. Overturned tractors in transportation incidents are a leading cause of death for farmers and farm workers. Driving to and from the field is not the best time to grab another bite of sandwich or check the markets on your smart phone. And rural travelers need to remember the inherent dangers of slow-moving vehicles and implements as farmers bring in another harvested crop this year.

"Be safe".

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.

September 30, 2018 is the application closing date for strawberries and fall-seeded small grains under the Noninsured Crop Disaster Assistance Program (NAP).

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 Announces: 2019 Enrollment Deadline for the Dairy Margin Coverage Program Extended to Sept. 27

The U.S. Department of Agriculture (USDA) extended the deadline to September 27 for dairy producers to enroll in the [Dairy Margin Coverage](#) (DMC) program for 2019. The deadline had been September 20.

Authorized by the 2018 Farm Bill and available through USDA's Farm Service Agency (FSA), the 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.

Almost half of the producers who have signed up so far are taking advantage of the 25 percent premium discount by locking in for five years of margin protection coverage. FSA has launched a new web visualization of the DMC data, which is [available here](#).

Margin payments have triggered for each month from January through July. Dairy producers who elect higher coverage levels could be eligible for payments for all seven months. Under certain levels, the amount paid to dairy farmers will exceed the cost of the premium.

For example, a dairy operation that chooses to enroll for 2019 with an established production history of 3 million pounds (30,000 cwt.) and elects the \$9.50 coverage level on 95 percent of production will pay \$4,275 in total premium payments for all of 2019 and receive \$15,437.50 in DMC payments

for all margin payments announced to date. Additional payments will be made if calculated margins remain below the \$9.50/cwt. level for any remaining months of 2019.

More Information

On December 20, 2018, President Trump signed into law the 2018 Farm Bill, which provides support, certainty and stability to our nation's farmers, ranchers and land stewards by enhancing farm support programs, improving crop insurance, maintaining disaster programs and promoting and supporting voluntary conservation.

For more information, visit farmers.gov [DMC webpage](#) or contact your local USDA service center. To locate your local FSA office, visit farmers.gov/service-locator.

Filing CCC-941 Adjusted Gross Income (AGI) Certifications

Many producers have experienced delays in receiving Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments, Loan Deficiency Payments (LDPs) and Market Gains on Marketing Assistance Loans (MALs) because they have not filed form CCC-941, *Adjusted Gross Income Certification*. No program payment can be issued to an eligible producer, including landowners who share in the crop, without a valid CCC-941 on file in the county office.

Producers without a valid CCC-941 on file for the applicable crop year will not receive payments. All farm operator/tenants/owners who have not filed a CCC-941 and have pending payments should IMMEDIATELY file the form with their recording county FSA office. Farm operators and tenants are encouraged to ensure that their landowners have filed the form.

FSA can accept the CCC-941 for 2015, 2016, 2017 and 2018. Unlike the past, producers must have the CCC-941 certifying their AGI compliance before any payments can be issued.

CRP Payment Limitation

Payments and benefits received under the Conservation Reserve Program (CRP) are subject to the following:

- payment limitation by direct attribution
- foreign person rule
- average adjusted gross income (AGI) limitation

The 2014 Farm Bill continued the \$50,000 maximum CRP payment amount that can be received annually, directly or indirectly, by each person or legal entity. This payment limitation includes all annual rental payments and incentive payments (Sign-up Incentive Payments and Practice Incentive Payments). Annual rental payments are attributed (earned) in the fiscal year in which program performance occurs. Sign-up Incentive Payments (SIP) are attributed (earned) based on the fiscal year in which the contract is approved, not the fiscal year the contract is effective. Practice Incentive Payments (PIP) are attributed (earned) based on the fiscal year in which the cost-share documentation is completed and the producer or technical service provider certifies performance of practice completion to the county office.

Such limitation on payments is controlled by direct attribution.

- Program payments made directly or indirectly to a *person* are combined with the pro rata interest held in any legal entity that received payment, unless the payments to the legal entity have been reduced by the pro rata share of the person.
- Program payments made directly to a *legal entity* are attributed to those persons that have a direct and indirect interest in the legal entity, unless the payments to the legal entity have been reduced by the pro rata share of the person.
- Payment attribution to a legal entity is tracked through four levels of ownership. If any part of the ownership interest at the fourth level is owned by another legal entity, a reduction in payment will be applied to the payment entity in the amount that represents the indirect interest of the fourth level entity in the payment entity.

Essentially, all payments will be “attributed” to a person’s Social Security Number. Given the current CRP annual rental rates in many areas, it is important producers are aware of how CRP offered acreages impact their \$50,000 annual payment limitation. Producers should contact their local FSA office for additional information.

NOTE: The information in the above article only applies to contracts subject to 4-PL and 5-PL regulations. It does not apply to contacts subject to 1-PL regulations.

USDA Accepting Applications to Help Cover Producers’ Costs for Organic Certification

USDA’s Farm Service Agency (FSA) announced that organic producers and handlers can apply for federal funds to assist with the cost of receiving and maintaining organic certification through the [Organic Certification Cost Share Program](#) (OCCSP). Applications for fiscal 2019 funding are due Oct. 31, 2019.

OCCSP received continued support through the 2018 Farm Bill. It provides cost-share assistance to producers and handlers of agricultural products for the costs of obtaining or maintaining organic certification under the USDA’s National Organic Program. Eligible producers include any certified producers or handlers who have paid organic certification fees to a USDA-accredited certifying agent. Eligible expenses for cost-share reimbursement include application fees, inspection costs, fees related to equivalency agreement and arrangement requirements, travel expenses for inspectors, user fees, sales assessments and postage.

Certified producers and handlers are eligible to receive reimbursement for up to 75 percent of certification costs each year, up to a maximum of \$750 per certification scope, including crops, livestock, wild crops, handling and state organic program fees.

More Information

To learn more about organic certification cost share, please visit the [OCCSP webpage](#), view the [notice of funds availability on the Federal Register](#), or contact your [FSA county office](#). To learn more about USDA support for organic agriculture, visit usda.gov/organic.

Communication is Key in Lending

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be a success. A part of ensuring this success is providing guidance and counsel from the loan application process through the borrower's graduation to commercial lending institutions. While it is FSA's commitment to advise borrowers as they identify goals and evaluate progress, it is crucial for borrowers to communicate with their farm loan staff when changes occur. It is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation;
- Any significant changes to family income or expenses;
- The development of problem situations;
- Any losses or proposed significant changes in security.

In addition, if a farm loan borrower cannot make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options. For more information on FSA farm loan programs, visit www.fsa.usda.gov

Interest Rates and Dates to Remember

Selected Interest Rates for September 2019

90-Day Treasury Bill	2.125%
Farm Operating Loans - Direct	2.750%
Farm Ownership Loans - Direct	3.500%
Farm Ownership Loans - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency Loans	3.750%
Farm Storage Facility Loans (3 years)	1.625%
Farm Storage Facility Loans (5 years)	1.625%
Farm Storage Facility Loans (7 years)	1.750%
Farm Storage Facility Loans (10 years)	1.875%
Farm Storage Facility Loans (12 years)	1.875%
Commodity Loans (1996-Present)	2.875%

Dates to Remember

September 27, 2019	Enrollment for Dairy Margin Coverage (DMC) program ends.
September 30, 2019	NAP application closing date for strawberries and fall-seeded small grains.
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).
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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).