March 2019

From the State Executive Director- Brad Thykeson

As we near the middle of March, it’s no secret that this winter has tested our tolerance and been a long and tough one. But as the days continue to extend, we can take relief knowing that spring is drawing near and as unbelievable as it seems now with the massive snow drifts piling up, field work is right around the corner.

While we continue to wait for sign-up instructions with the new farm bill, there are a couple of fact sheets available explaining what is new and what has changed. You can stop by your local FSA office to pick them up or view at: https://www.farmers.gov/farmbill.
Last month we wrapped up the MFP application sign-up process. Moving forward, please be mindful that Agriculture Secretary Sonny Perdue has relayed that the MFP program was created because farmers were caught unaware by the trade retaliation in 2018. Since that is not the situation this year, farmers will not receive more MFP payments, even if the trade war continues.

A couple of deadlines approaching include the Noninsured Crop Disaster Assistance Program (NAP) where eligible producers must apply for coverage and pay the applicable service fee by the application deadline of 3/15/2019 and the deadline to obtain Marketing Assistance Program 2018 Grain loans on small grain crops (wheat, oats, barley, canola and flax) of 4/1/19.

National Ag Week will be celebrated this year March 10th-16th, with National Ag Day on March 14th. Whether it’s spending long hours getting the crop in the field and harvested or heading out every hour in the frigid night to check for newborn calves or lambs, life on the farm and ranch is not for the faint of heart. As I think about the trials Ag Producers go through every day to bring us the food, fuel and fiber we all depend on, we want you to know that North Dakota FSA truly appreciates all that you do, and we are proud to work with you in delivering agriculture programs.

-Brad Thykeson

USDA Encourages Producers to Consider NAP 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 NAP. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage.

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.

Producers can determine if crops are eligible for federal crop insurance or NAP by visiting https://webapp.rma.usda.gov/apps/ActuarialInformationBrowser2019/CropCriteria.aspx.

NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.
Deadlines for coverage vary by state and crop. To learn more about NAP visit [www.fsa.usda.gov/nap](http://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](http://offices.usda.gov).


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**Market Facilitation Program**

The Market Facilitation Program (MFP) provides payments to producers of eligible commodities who have been significantly impacted by the loss of traditional exports. Producers of certain commodities that enrolled for MFP participation by February 14, 2019, have until May 1, 2019, to certify to their 2018 actual production.

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**2018 Crop Year Commodity Loan Deadline**

Producers planning to use the commodity loan program for their 2018 crops are reminded that March 31, 2019, is the deadline for filing applications for the following 2018 crops: wheat, barley, oats, canola, crambe, flaxseed, rapeseed, sesame seed and honey. Since March 31st is a non-workday, the loan deadline is extended to April 1, 2019.

These loans carry a nine-month maturity and can be repaid with cash at disbursement up until loan maturity. To be eligible, producers must have produced an eligible loan commodity during the applicable crop year, complied with annual program requirements, maintain beneficial interest (have title to the commodity and retain control of the commodity), request a marketing assistance loan (MAL) on or before the final loan availability date for a specific commodity, and, if required, submit lien waivers for any liens existing on the crop for which MAL is being requested.

Producers interested in a commodity loan on the above listed commodities should contact their local county FSA office staff prior to the March 31 deadline. The 2018 crop commodity loan rates are available at any county FSA office, or online at: [http://www.fsa.usda.gov/FSA](http://www.fsa.usda.gov/FSA) and clicking on the “Price Support” link.

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**2019 Emergency Livestock Assistance Program (ELAP)**

For livestock losses not covered by the Livestock Indemnity Program or the Livestock Forage Program, such as honeybee colony collapse, loss of feed stocks, etc, producers are encouraged to report such losses to their local FSA office within 30 calendar days of when the loss was apparent. The ELAP program year is from October 1, 2018 through September 30, 2019. The deadline to file an ELAP application for payment is November 1, 2019.

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2019 Livestock Indemnity Program

The Livestock Indemnity Program (LIP) provides assistance to eligible producers for livestock death losses in excess of normal mortality due to adverse weather and attacks by animals reintroduced into the wild by the federal government or protected by federal law. LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to tornadoes, floods, blizzards, wildfires, extreme heat or extreme cold.

For 2019, eligible losses must occur on or after Jan. 1, 2019, and no later than 60 calendar days from the ending date of the applicable adverse weather event or attack. A notice of loss must be filed with FSA within 30 days of when the loss of livestock is apparent. Participants must provide the following supporting documentation to their local FSA office no later than 60 calendar days after the end of the calendar year in which the eligible loss condition occurred.

- Proof of death documentation
- Copy of growers contracts
- Proof of normal mortality documentation

USDA has established normal mortality rates for each type and weight range of eligible livestock, i.e. Adult Beef Cow = 1.6% and Non-Adult Beef Cattle (less than 400 pounds) = 4.6%. These established percentages reflect losses that are considered expected or typical under "normal" conditions. Producers who suffer livestock losses in 2019 must file both of the following:

- A notice of loss the earlier of 30 calendar days of when the loss was apparent
- An application for payment by March 1, 2020.

Additional Information about LIP is available at your local FSA office or online at: www.fsa.usda.gov.

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USDA Announces January Income over Feed Cost Margin Triggers First 2019 Dairy Safety Net Payment

The U.S. Department of Agriculture’s Farm Service Agency (FSA) announced that the January 2019 income over feed cost margin was $7.99 per hundredweight, triggering the first payment for eligible dairy producers who purchase the appropriate level of coverage under the new but yet-to-be established Dairy Margin Coverage (DMC) program.

DMC, which replaces the Margin Protection Program for Dairy, is a voluntary risk management program for dairy producers that was authorized by the 2018 Farm Bill. DMC offers 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.

Agriculture Secretary Sonny Perdue announced that sign up for DMC will open by mid-June of this year. At the time of sign up, producers who elect a DMC coverage level between $8.00 and $9.50 would be eligible for a payment for January 2019.

For example, a dairy operation with an established production history of 3 million pounds (30,000 cwt.) that elects the $9.50 coverage level for 50 percent of its production could potentially be eligible to receive $1,887.50 for January.

**Sample calculation:**
$9.50 - $7.99 margin = $1.51 difference
$1.51 times 50 percent of production times 2,500 cwt. (30,000 cwt./12) = $1,887.50
The calculated annual premium for coverage at $9.50 on 50 percent of a 3-million-pound production history for this example would be $2,250.

**Sample calculation:**
3,000,000 times 50 percent = 1,500,000/100 = 15,000 cwt. times 0.150 premium fee = $2,250

Operations making a one-time election to participate in DMC through 2023 are eligible to receive a 25 percent discount on their premium for the existing margin coverage rates.

Additional details about DMC and other FSA farm bill program changes can be found at [farmers.gov/farmbill](http://farmers.gov/farmbill).

### Update Your Records

FSA is cleaning up our producer record database. If you have any unreported changes of address, zip code, phone number, email address or an incorrect name or business name on file they need to be reported to our office. Changes in your farm operation, like the addition of a farm by lease or purchase, need to be reported to our office as well. Producers participating in FSA and NRCS programs are required to timely report changes in their farming operation to the County Committee in writing and update their CCC-902 Farm Operating Plan.

If you have any updates or corrections, please call your local FSA office to update your records.

### Acreage Crop Reporting Streamlining Initiative (ACRSI)

Farmers and ranchers filing crop acreage reports with the Farm Service Agency (FSA) and participating insurance providers approved by the Risk Management Agency (RMA) now can provide the common information from their acreage reports at one office and the information will be electronically shared with the other location. This new process is part of the USDA Acreage Crop Reporting Streamlining Initiative (ACRSI).

Producers must still visit both their local FSA office and their insurance provider to validate and sign acreage reports, complete maps, or provide program-specific information, including reporting uninsured crops to FSA. The common data from the first-filed acreage report will now be available to pre-populate and accelerate completion of the second report.

Farmers and ranchers are also reminded that they can now access their FSA farm information from the convenience of their home computer. Producers can see field boundaries, images of the farm, conservation status, operator and owner information and much more.

The new customer self-service portal, known as FSAFarm+, gives farmers and ranchers online access to securely view, print or export their personal farm data. To enroll in the online service, producers are encouraged to contact their local FSA office for details. To find a local FSA office in your area, visit [http://offices.usda.gov](http://offices.usda.gov).

### USDA Acreage Reporting Deadline for Perennial Forage Changes to July 15
USDA Farm Service Agency (FSA) has established a new acreage reporting deadline for perennial forage for 2019 and subsequent years. Previously set in the fall, the new deadline is July 15 for all states, except for Hawaii and Puerto Rico.

Timely and accurate acreage reports for all crops and land uses, including prevented planting or failed acreage, are the foundation for many FSA program benefits, including disaster programs for livestock owners. Producers must report their acreage to maintain program eligibility.

Producers who have coverage for perennial forage under the Noninsured Crop Disaster Assistance Program (NAP) must report their crop acreage by the earlier of any of the following:

- the established acreage reporting date (July 15)
- 15 calendar days before the onset of harvest or grazing of the specific crop acreage being reported
- the established normal harvest date for the end of the coverage period.

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](http://www.fsa.usda.gov).

Loan Servicing

There are options for Farm Service Agency loan customers during financial stress. If you are a borrower who is unable to make payments on a loan, contact your local FSA Farm Loan Manager to learn about the options available to you.

Calendar Deadlines

*Important Upcoming Dates and Deadlines*
March 15, 2019: Application deadline to purchase Non-insured Crop Disaster Assistance Program (NAP) for 2019 spring-seeded crops
March 31, 2019: Deadline to obtain Marketing Assistance Program 2018 Grain loans on small grain crops (wheat, oats, barley, canola and flax)
April 1, 2019: Deadline for 2018 NAP Premiums
May 1, 2019: Deadline to report production for the Market Facilitation Program
May 27, 2019: Offices closed in observance of the Memorial Day Holiday
May 31, 2019: Deadline to obtain Marketing Assistance Program 2018 Grain loans on corn, soybeans, sunflowers, dry peas, grain sorghum and chickpeas

Explore the new USDA Farmers.gov portal for county office locations, program info, and much more!

March 2019 Loan and Interest Rates

Commodity Loans – 3.625%
Operating Loans – 3.500%
Farm Ownership and Conservation Loans – 4.000%
Farm Ownership-Joint Financing – 2.500%
Emergency - Amount of Actual Loss - 3.750%
Farm Ownership-Down Payment Loans – 1.500%
Farm Storage Facility Loan, 3-Year – 2.500%
Farm Storage Facility Loan, 5-Year – 2.500%
Farm Storage Facility Loan, 7-Year – 2.625%
Farm Storage Facility Loan, 10-Year – 2.750%
Farm Storage Facility Loan, 12-Year – 2.750%

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).