Message from the SED

Farm Service Agency at the National and county level has been incredibly busy this summer working to educate and train our employees to assist you with programs that were added, improved or extended by the passage of the 2018 Farm Bill. This year, natural disasters, trade and market disappointments have created an even greater need to assist our farmers and ranchers.

New programs you'll be seeing are Marketing Facilitation Program (MFP 2) and Wildfires and Hurricanes Indemnity Program+ (WHIP+). New and improved features for our Farm Loans include higher loan rates, increased servicing features and focusing on customer needs to reduce producers’ stress. The Noninsured Crop...
**State Committee Members:**
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Karen Eifert Jones, Waukomis
Don Allen Parsons, Idabel
J.B. Stewart, Keyes
David Bush, Altus

**State Staff:**
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Farm Loan Programs
J.D. Elwood
Production & Payment
Eligibility
Joy Alspach
Conservation
Danny Lee
Compliance & Price Support
Krey Reimer
Administration
Janlyn Hannah
Public Relations/Outreach

Please contact your local FSA Office for questions specific to your operation or county. FSA Office contact information can be located on our online Directory.

Disaster Assistance Program (NAP) includes buy-up options for better loss coverage.

The Agriculture Risk Coverage and Price Loss Coverage (ARC/PLC) programs returned with opportunities for new election and enrollment options. Producers will also have the option to update PLC yields in the future. Oklahoma State University Extension Service is hosting several informational meetings across the state to assist producers with making an educated decision about ARC/PLC elections. Meetings this month include: September 26 in McAlester; September 27 in Durant; September 30 in Chickasha. OSU's ARC/PLC decision tool can be utilized by producers at these meetings. More detailed information to come. FSA staff will be available to answer any questions you may have.

The Livestock Disaster Assistance Programs (Livestock Forage Program, Livestock Indemnity Program and Emergency Livestock, Honeybee and Farm Raised Fish Assistance Program) remain in place as part of permanent legislation.

I encourage you to stay in contact with your county FSA office so you remain informed about the programs and loans available. Please reach out to me or any of our dedicated employees for assistance.

Best Wishes,

Scott Biggs, Oklahoma State Executive Director

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**USDA Offers Disaster Assistance for Oklahoma Farmers Hurt by 2018, 2019 Disasters**

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.

**WHIP+ Eligibility**

WHIP+ will be available for eligible producers who have suffered eligible losses of certain crops, trees, bushes or vines in counties with a Presidential Emergency Disaster Declaration or a Secretarial Disaster Designation (primary counties only). Disaster losses must have been a result of hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms or wildfires that occurred in 2018 or 2019. Also, producers in counties that did not receive a disaster declaration or designation
may still apply for WHIP+ but must provide supporting documentation to establish that the crops were directly affected by a qualifying disaster loss.

A list of counties that received qualifying disaster declarations and designations is available at farmers.gov/recover/whip-plus. Because grazing and livestock losses, other than milk losses, are covered by other disaster recovery programs offered through FSA, those losses are not eligible for WHIP+.

Eligible crops include those for which federal crop insurance or Noninsured Crop Disaster Assistance Program (NAP) coverage is available, excluding crops intended for grazing. A list of crops covered by crop insurance is available through USDA’s Risk Management Agency (RMA) Actuarial Information Browser at webapp.rma.usda.gov/apps/actuarialinformationbrowser.

The WHIP+ payment factor ranges from 75 percent to 95 percent, depending on the level of crop insurance coverage or NAP coverage that a producer obtained for the crop. Producers who did not insure their crops in 2018 or 2019 will receive 70 percent of the expected value of the crop. Insured crops (either crop insurance or NAP coverage) will receive between 75 percent and 95 percent of expected value; those who purchased the highest levels of coverage will receive 95 percent of the expected value.

At the time of sign-up, producers will be asked to provide verifiable and reliable production records. If a producer is unable to provide production records, WHIP+ payments will be determined based on the lower of either the actual loss certified by the producer and determined acceptable by FSA or the county expected yield and county disaster yield. The county disaster yield is the production that a producer would have been expected to make based on the eligible disaster conditions in the county.

WHIP+ payments for 2018 disasters will be eligible for 100 percent of their calculated value. WHIP+ payments for 2019 disasters will be limited to an initial 50 percent of their calculated value, with an opportunity to receive up to the remaining 50 percent after January 1, 2020, if sufficient funding remains.

Both insured and uninsured producers are eligible to apply for WHIP+. But all producers receiving WHIP+ payments will be required to purchase crop insurance or NAP, at the 60 percent coverage level or higher, for the next two available, consecutive crop years after the crop year for which WHIP+ payments were paid. Producers who fail to purchase crop insurance for the next two applicable, consecutive years will be required to pay back the WHIP+ payment.

Additional information about WHIP+ program eligibility and payment limitations can be found at farmers.gov/recover or by contacting your local USDA Service Center.

Additional Loss Coverage

The Milk Loss Program will provide payments to eligible dairy operations for milk that was dumped or removed without compensation from the commercial milk market because of a qualifying 2018 and 2019 natural disaster. Producers who suffered losses of harvested commodities, including hay, stored in on-farm structures in 2018 and 2019 will receive assistance through the On-Farm Storage Loss Program.

Additionally, producers with trees, bushes or vines can receive both cost-share assistance through FSA’s Tree Assistance Program (TAP) for the cost of replanting and rehabilitating eligible trees and WHIP+ will provide payments based on the loss value of the tree, bush or vine itself. Therefore, eligible producers may receive both a TAP and a 2017 WHIP or WHIP+ payment for the same
acreage. In addition, TAP policy has been updated to assist eligible orchardists or nursery tree growers of pecan trees with a tree mortality rate that exceeds 7.5 percent (adjusted for normal mortality) but is less than 15 percent (adjusted for normal mortality) for losses incurred during 2018.

**Prevented Planting**

Agricultural producers faced significant challenges planting crops in 2019 in many parts of the country. All producers with flooding or excess moisture-related prevented planting insurance claims in calendar year 2019 will receive a prevented planting supplemental disaster (“bonus”) payment equal to 10 percent of their prevented planting indemnity, plus an additional 5 percent will be provided to those who purchased harvest price option coverage.

As under 2017 WHIP, WHIP+ will provide prevented planting assistance to uninsured producers, NAP producers and producers who may have been prevented from planting an insured crop in the 2018 crop year and those 2019 crops that had a final planting date prior to January 1, 2019.

For more information on FSA disaster assistance programs, please contact your local USDA service center or visit farmers.gov/recover. For all available USDA disaster assistance programs, go to USDA’s disaster resources website.

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**2019 Livestock Forage Losses**

Producers in Comanche, Cotton, Jackson, Kiowa and Tillman counties are eligible to apply for 2019 Livestock Forage Disaster Program (LFP) benefits on native pasture, improved pasture, and annual crabgrass.

LFP provides compensation to eligible livestock producers who suffer grazing losses for covered livestock due to drought on privately owned or cash leased land or fire on federally managed land.

County committees can only accept LFP applications after notification is received by the National Office of qualifying drought or if a federal agency prohibits producers from grazing normal permitted livestock on federally managed lands due to qualifying fire. Eligible livestock producers must complete a CCC-853 and the required supporting documentation no later than January 30, 2020, for 2019 losses.

Additional Information about LFP, including eligible livestock and fire criteria, is available at your local FSA office or online at: [www.fsa.usda.gov](http://www.fsa.usda.gov).

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**USDA Opens 2019 Enrollment for Agriculture Risk Coverage and Price Loss Coverage Programs**

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 Farm Service Agency (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.

Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium grain rice (which includes short grain rice), safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

Updated provisions in the 2018 Farm Bill allow producers with an interest in a farm to enroll and elect coverage in crop-by-crop ARC-County or PLC, or ARC-Individual for the entire farm, for program year 2019. The election applies to both the 2019 and 2020 crop years. If a 2019 election is not submitted by the deadline of March 15, 2020, the election defaults to the current elections of the crops on the farm established under the 2014 Farm Bill. No payments will be earned in 2019 if the election defaults.

For crop years 2021 through 2023, producers will have an opportunity to make new elections. Farm owners cannot enroll in either program unless they have a share interest in the farm.

Once the 2019 election and enrollment are completed, producers on the farm for 2020 can complete an enrollment contract for the 2020 crop year beginning Oct. 7, 2019 and ending June 30, 2020.

Although 2019 enrollment begins Sept. 3, 2019 and must occur first, a producer waiting until Oct. 7, 2019 to enroll is afforded the opportunity to enroll in either program for both 2019 and 2020 during the same office visit. During this time, farm owners have a one-time opportunity to update PLC payment yields that takes effect beginning with crop year 2020. If the owner accompanies the producer to the office, the yield update may be completed during the same office visit.

In partnership with USDA, the University of Illinois and Texas A&M University are offering web-based decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. These decision tools can be found at fsa.usda.gov/arc-plc.

Producers are reminded that enrolling in ARC or PLC programs can impact eligibility for some forms of crop insurance. Producers who elect and enroll in PLC also have the option of purchasing Supplemental Coverage Option (SCO) through the USDA Risk Management Agency (RMA). Producers of covered commodities who elect ARC are ineligible for SCO on their planted acres.

Upland cotton farmers who choose to enroll seed cotton base acres in ARC or PLC are ineligible for the stacked income protection plan (STAX) on their planted cotton acres. To be eligible for STAX coverage, producers must not enroll their seed cotton base acres into the ARC or PLC programs.

For more information on ARC and PLC, download our program fact sheet or our 2014-2018 farm bills comparison fact sheet, or visit fsa.usda.gov/arc-plc.

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**USDA Reminds Producers: 2019 Enrollment Deadline for the Dairy Margin Coverage Program Is Sept. 20**

The U.S. Department of Agriculture’s Farm Service Agency (FSA) reminds dairy producers that the deadline to enroll in the Dairy Margin Coverage (DMC) program for 2019 is Sept. 20, 2019.
Authorized by the 2018 Farm Bill, 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.

As the 2019 enrollment period draws to a close, FSA estimates over $257.7 million in payments to producers who are currently registered. Also, nearly half of the producers 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 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.

Enrollment for 2020

For 2020, dairy producers can sign up for coverage under DMC beginning Oct. 7 through Dec. 13, 2019. At the time of signup, dairy producers can choose between the $4.00 to $9.50 coverage levels.

DMC offers catastrophic coverage at no cost to the producer, other than an annual $100 administrative fee. Producers can opt for greater coverage levels for a premium in addition to the administrative fee. Operations owned by limited resource, beginning, socially disadvantaged or veteran farmers and ranchers may be eligible for a waiver on administrative fees. Producers have the choice to lock in coverage levels until 2023 and receive a 25-percent discount on their DMC premiums.

Producers who locked in coverage in the 2019 sign-up must certify the operation is producing and commercially marketing milk and pay the annual administrative fee during the 2020 enrollment period.

To assist producers in making coverage elections, USDA partnered with the University of Wisconsin to develop a DMC decision support tool, which can be used to evaluate various scenarios using different coverage levels through DMC.

2019 Retroactive Intergenerational Transfers

Participating dairy operations who had an intergenerational transfer between 2014 and 2019 will have a one-time opportunity to increase their established production history during the 2019 and 2020 annual coverage election periods. Retroactive payments based on the increased production history will apply for 2019 and not prior years.

A dairy operation may add to their approved production history for an intergenerational transfer when a spouse, child or grandchild join a participating dairy operation. Non-lineal relatives, such as siblings, cousins, nieces or nephews, that join the operation will not be eligible for a production history increase.
The increase to the established production history of the participating dairy operation will be determined based on multiplying both the national rolling herd average data for the current year in effect at the time of the intergenerational transfer and the quantity of cows purchased by the joining family member within 60 days of joining the dairy operation. For an intergenerational transfer to be recognized by FSA, the requesting dairy operation will meet all eligibility requirements including an ownership provision for those entering the business.

Applications for an intergenerational transfer must be submitted by Dec. 6, 2019, for approval by the local FSA county committee, to be eligible for the increased production history effective on January 1, 2019.

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.

**USDA Opens Signup for Market Facilitation Program**

*Enrollment Now Open through Dec. 6*

Signup opens today for the Market Facilitation Program (MFP), a U.S. Department of Agriculture (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.

MFP payments will be made to producers of certain non-specialty and specialty crops as well as dairy and hog producers.

**Non-Specialty Crops**

MFP payments will be made to producers of alfalfa hay, barley, canola, corn, crambe, dried beans, dry peas, extra-long staple cotton, flaxseed, lentils, long grain and medium grain rice, millet, mustard seed, oats, peanuts, rapeseed, rye, safflower, sesame seed, small and large chickpeas, sorghum, soybeans, sunflower seed, temperate japonica rice, triticale, upland cotton, and wheat.

MFP assistance for 2019 crops is based on a single county payment rate multiplied by a farm’s total plantings to the MFP-eligible crops in aggregate in 2019. Those per acre payments are not dependent on which of those crops are planted in 2019. A producer’s total payment-eligible plantings cannot exceed total 2018 plantings. View payment rates by county.

**Dairy and Hogs**

Dairy producers who were in business as of June 1, 2019, will receive a per hundredweight payment on production history, and hog producers will receive a payment based on the number of live hogs owned on a day selected by the producer between April 1 and May 15, 2019.

**Specialty Crops**

MFP payments will also be made to producers of almonds, cranberries, cultivated ginseng, fresh grapes, fresh sweet cherries, hazelnuts, macadamia nuts, pecans, pistachios, and walnuts. Each
specialty crop will receive a payment based on 2019 acres of fruit or nut bearing plants, or in the case of ginseng, based on harvested acres in 2019.

More Information

Payments will be made in up to three tranches, with the second and third tranches evaluated as market conditions and trade opportunities dictate. If conditions warrant, the second and third tranches will be made in November and early January.

MFP payments are limited to a combined $250,000 for non-specialty crops per person or legal entity. MFP payments are also limited to a combined $250,000 for dairy and hog producers and a combined $250,000 for specialty crop producers. However, no applicant can receive more than $500,000. Eligible applicants must also have an average adjusted gross income (AGI) for tax years 2015, 2016, and 2017 of less than $900,000, or 75 percent of the person’s or legal entity’s average AGI for those tax years must have been derived from farming and ranching. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.

More information can be found on farmers.gov/mfp, including payment information and a program application.

Reminder to FSA Direct and Guaranteed Borrowers with Real Estate Security

Farm Service Agency would like to remind farm loan borrowers who have pledged real estate as security for their loans, of key items for maintaining loan collateral. It is required that borrowers must obtain prior consent, or approval, by either FSA, for direct loans, or by a guaranteed lender, for any transaction affecting real estate security. Examples of these transactions include, but are not limited to:

- Leases of any kind;
- Easements of any kind;
- Subordinations;
- Partial releases, and
- Sales

Failure to meet or follow the requirements set forth in the loan agreement, promissory note, and other security instruments could lead to nonmonetary default which could jeopardize your current and future loans.

It is critical that borrowers keep an open line of communication with their FSA loan staff or guaranteed lender when it comes to changes in their operation. For more information on borrower responsibilities, read Your FSA Farm Loan Compass.

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

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**Cover Crop Guidelines**

Recently the Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS) and Risk Management Agency (RMA) worked together to develop consistent, simple and a flexible policy for cover crop practices.

The termination and reporting guidelines were updated for cover crops.

**Termination:**

The cover crop termination guidelines provide the timeline for terminating cover crops, are based on zones and apply to non-irrigated cropland. To view the zones and additional guidelines visit [https://www.nrcs.usda.gov/wps/portal/nrcs/main/national/landuse/crops/](https://www.nrcs.usda.gov/wps/portal/nrcs/main/national/landuse/crops/) and click “Cover Crop Termination Guidelines.”

**Reporting:**

The intended use of cover only will be used to report cover crops. This includes crops that were terminated by tillage and reported with an intended use code of green manure. An FSA policy change will allow cover crops to be hayed and grazed. Program eligibility for the cover crop that is being hayed or grazed will be determined by each specific program.

If the crop reported as cover only is harvested for any use other than forage or grazing and is not terminated properly, then that crop will no longer be considered a cover crop.

Crops reported with an intended use of cover only will not count toward the total cropland on the farm. In these situations a subsequent crop will be reported to account for all cropland on the farm.

Cover crops include grasses, legumes, and forbs, for seasonal cover and other conservation purposes. Cover crops are primarily used for erosion control, soil health improvement, and water quality improvement. The cover crop may be terminated by natural causes, such as frost, or intentionally terminated through chemical application, crimping, rolling, tillage or cutting. A cover crop managed and terminated according to NRCS Cover Crop Termination Guidelines is not considered a crop for crop insurance purposes.

Cover crops can be planted: with no subsequent crop planted, before a subsequent crop, after prevented planting acreage, after a planted crop, or into a standing crop.
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).