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
Vermont Producers Encouraged to Respond to NASS Survey

Approximately 240,000 farms and ranches across the United States have been contacted by National Agricultural Statistics Service (NASS) for their total acres operated and acres rented for cash for each land use category (irrigated cropland, non-irrigated cropland, and permanent pasture) for the current year. For each land use category with positive acres, respondents are given the option of reporting rent per acre or total dollars paid.

NASS began conducting the 2019 Cash Rents Survey with the first mail out in mid-February, followed by a second mailing in mid-March. Non-response phone follow-up is conducted from April to July from NASS’ Data Collection Centers. Some field follow up is conducted to insure adequate response rates for the survey. Over 35 percent of the survey is collected by mail.

The Farm Service Agency (FSA) uses cash rent county estimates to determine market-based rates in administering USDA programs, such as the Conservation Reserve Program (CRP). Other state and federal government agencies, universities, and research organizations use these data for other forms of economic analysis. The data provides farmers and ranchers with current information about rental rates in their county and are available for their use in making decisions regarding renting and leasing farmland.


Higher Limits Now Available on USDA Farm Loans

Higher limits are now available for borrowers interested in USDA’s farm loans, which help agricultural producers purchase farms or cover operating expenses. The 2018 Farm Bill increased the amount that producers can borrow through direct and guaranteed loans available through USDA’s Farm Service Agency (FSA) and made changes to other loans, such as microloans and emergency loans.

Key changes include:

- The Direct Operating Loan limit increased from $300,000 to $400,000, and the Guaranteed Operating Loan limit increased from $1.429 million to $1.75 million. Operating loans help producers pay for normal operating expenses, including machinery and equipment, seed, livestock feed, and more.
- The Direct Farm Ownership Loan limit increased from $300,000 to $600,000, and the Guaranteed Farm Ownership Loan limit increased from $1.429 million to $1.75 million. Farm ownership loans help producers become owner-operators of family farms as well as improve and expand current operations.
- Producers can now receive both a $50,000 Farm Ownership Microloan and a $50,000 Operating Microloan. Previously, microloans were limited to a combined $50,000.
Microloans provide flexible access to credit for small, beginning, niche, and non-traditional farm operations.

- Producers who previously received debt forgiveness as part of an approved FSA restructuring plan are now eligible to apply for emergency loans. Previously, these producers were ineligible.
- Beginning and socially disadvantaged producers can now receive up to a 95 percent guarantee against the loss of principal and interest on a loan, up from 90 percent.

### About Farm Loans

Direct farm loans, which include microloans and emergency loans, are financed and serviced by FSA, while guaranteed farm loans are financed and serviced by commercial lenders. For guaranteed loans, FSA provides a guarantee against possible financial loss of principal and interest.

For more information on FSA farm loans, visit [www.fsa.usda.gov](http://www.fsa.usda.gov) or contact your local USDA service center.

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### USDA Announces Buy-Up Coverage Availability and New Service Fees for Noninsured Crop Coverage Policies

USDA’s Farm Service Agency (FSA) today announced that higher levels of coverage will be offered through the Noninsured Crop Disaster Assistance Program (NAP), a popular safety net program, beginning April 8, 2019. The 2018 Farm Bill also increased service fees and made other changes to the program, including service fee waivers for qualified military veterans interested in obtaining NAP coverage.

“When other insurance coverage is not an option, NAP is a valuable risk mitigation tool for farmers and ranchers,” said FSA Administrator Richard Fordyce. “In agriculture, losses from natural disasters are a matter of when, not if, and having a NAP policy provides a little peace of mind.”

NAP provides financial assistance to producers of commercial crops for which insurance coverage is not available in order to protect against natural disasters that result in lower yields or crop losses, or prevent crop planting.

#### NAP Buy-Up Coverage Option

The 2018 Farm Bill reinstates higher levels of coverage, from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price. Producers of organics and crops marketed directly to consumers also may exercise the “buy-up” option to obtain NAP coverage of 100 percent of the average market price at the coverage levels of between 50 and 65 percent of expected production. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

Producers have a **one-time opportunity until May 24, 2019**, to obtain buy-up coverage for 2019 or 2020 eligible crops for which the NAP application closing date has passed.

Buy-up coverage is not available for crops intended for grazing.

#### NAP Service Fees
For all coverage levels, the new NAP service fee is the lesser of $325 per crop or $825 per producer per county, not to exceed a total of $1,950 for a producer with farming interests in multiple counties. These amounts reflect a $75 service fee increase for crop, county or multi-county coverage. The fee increases apply to obtaining NAP coverage on crops on or after April 8, 2019.

**NAP Enhancements for Qualified Military Veterans**

The 2018 Farm Bill NAP amendments specify that qualified veteran farmers or ranchers are now eligible for a service fee waiver and premium reduction, if the NAP applicant meets certain eligibility criteria.

Beginning, limited resource and targeted underserved farmers or ranchers remain eligible for a waiver of NAP service fees and premium reduction when they file form CCC-860, "Socially Disadvantaged, Limited Resource and Beginning Farmer or Rancher Certification.”

For NAP application, eligibility and related program information, visit [www.fsa.usda.gov/nap](http://www.fsa.usda.gov/nap) or contact your local USDA Service Center. To locate your local FSA office, visit [www.farmers.gov](http://www.farmers.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.

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).