Farm Service Agency Electronic News Service

NEWSLETTER

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Wisconsin FSA Newsletter

A Message from the SED

This is a busy time of year, so here are quick highlights:

December 11 is the deadline for two key programs – Dairy Margin Coverage and Coronavirus Food Assistance 2, or CFAP 2. This is a firm deadline, so reach out to your FSA county office now to sign up or get questions answered.

DMC has a two-year track record now. Monthly payments triggered eleven times in 2019 and 2020, with a net benefit in both years, and Wisconsin producers received $107 million to date. At 15 cents/cwt, DMC is the most cost-effective risk management program out there.
Farm Loan Chief:
Tom Brandt

Farm Program Chiefs:
Greg Biba
John Palmer

State Committee:
Lisa Condon, Chair
Thomas Gillis
David Heideman
Tom McClellan

www.fsa.usda.gov/wi

Producers say DMC payments really helped with cash flow in the tight months of 2020.

CFAP 2 is proving significant assistance to Wisconsin producers who have been hit by COVID-related price declines and market disruptions. Almost every commodity grown or produced in our state is eligible for assistance, and more than 20,000 operations have applied. Do not miss this opportunity, and help us spread the word.

Digital signatures are a timesaver for producers, and more and more of you are taking advantage of this new option. FSA paperwork comes to you in an email, you sign on a smartphone or home computer, and the paperwork is emailed back to the office for processing. When time is at a premium for you, ask to sign digitally, and save yourself a trip to the FSA office.

FSA offices are staffed, and our employees are ready to assist you by phone or email. USDA is temporarily restricting in-person visits, but employees are still delivering exceptional customer service every day, and we look forward to hearing from you.

As we head into the holidays, Wisconsin FSA wishes you and your families a blessed Christmas season!

Sandy Chalmers

Dates to Remember

December 11, 2020: Deadline for producers to apply for CFAP 2 assistance.

December 11, 2020: Deadline for producers to sign up for Dairy Margin Coverage Program.


January 1, 2021: USDA Service Centers closed in observance of New Years Day.

January 2, 2021: Acreage Reporting deadline for Honeybee Colonies.

January 15, 2021: Acreage Reporting deadline for Apples, Cranberries, Asparagus, Strawberries, Hops, Huckleberries, Pears

January 18, 2021: USDA Service Centers closed in observance of Martin Luther King Jr.’s Birthday.
USDA Reminds Dairy Producers of Dec. 11 Deadline for 2021 Safety-Net Enrollment

The U.S. Department of Agriculture reminds dairy producers that the deadline to enroll in Dairy Margin Coverage (DMC) for calendar year 2021 is Friday, Dec. 11, 2020. USDA's Farm Service Agency (FSA) opened DMC signup in October to help producers manage economic risk brought on by milk price and feed cost disparities.

The DMC program, created by the 2018 Farm Bill, 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.

Complete 2021 Enrollment/Evaluate Coverage Options

For DMC enrollment, producers must certify with FSA that the operation is commercially marketing milk, sign all required forms, and pay the $100 administrative fee unless the dairy operation qualifies for a limited resource, beginning, socially disadvantaged, or military veteran farmers and ranchers waiver.

Producers interested in DMC have the option to select a $4.00 catastrophic level of coverage with no premium fee or they can choose to buy-up coverage where the premium is based on margin triggers between $4.50 and $9.50 on 5 to 95 percent of established production history.

To determine the appropriate level of DMC coverage for a specific dairy operation, producers can utilize the recently updated online dairy decision tool. The decision tool is designed to demonstrate the historical performance of DMC and assist producers with calculating total premium costs and administrative fees associated with participation in DMC. An informational video is available, too.

2020 Margin Payments

For producers enrolled in DMC for 2020, the fourth DMC payment of the year triggered in September at $9.40. Including the September payment, dairy producers across the country have received 11 monthly payments for over $472 million through DMC since the program began in January 2019.

More Information

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-center-locator.

All USDA Service Centers are open for business, including some that are open to visitors to conduct business in person by appointment only. All Service Center visitors wishing to conduct business
Apply Now for USDA’s Coronavirus Food Assistance Program 2

U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) reminds farmers and ranchers that the deadline to apply for the Coronavirus Food Assistance Program 2 (CFAP 2) is Dec. 11, 2020. This program provides direct relief to producers who continue to face market disruptions and associated costs because of COVID-19.

CFAP 2 will provide up to $14 billion to eligible producers of certain row crops, livestock, dairy, specialty crops, aquaculture and more. All eligible commodities, payment rates and calculations can be found on farmers.gov/cfap. CFAP 2 is a separate program from the first iteration of the program (CFAP 1) and interested producers must complete a new application to be eligible for payment for CFAP 2.

Customers seeking one-on-one support with the CFAP 2 application process can call 877-508-8364 to speak directly with a USDA employee ready to offer general assistance. This is a recommended first step before a producer engages the team at the FSA county office.

Application Options
Producers have several options for applying to the CFAP 2 program by the Dec. 11 deadline:

- Using an online portal at farmers.gov/cfap. This allows producers with secure USDA login credentials, known as eAuthentication, to certify eligible commodities online, digitally sign applications and submit directly to the local USDA Service Center.
- Completing the application form using our CFAP 2 Application Generator and Payment Calculator found at farmers.gov/cfap. This Excel workbook allows customers to input information specific to their operation to determine estimated payments and populate the application form, which can be printed, then signed and submitted to their local USDA Service Center.
- Downloading the AD-3117 application form from farmers.gov/cfap and manually completing the form to submit to the local USDA Service Center by mail, electronically, or by hand delivery to an office drop box. In some limited cases, the office may be open for in-person business by appointment. Visit farmers.gov/coronavirus/service-center-status to check the status of your local office.

USDA Service Centers can also work with producers to complete and securely transmit digitally-signed applications through two commercially available tools: Box and OneSpan. Producers who are interested in digitally signing their applications should notify their local FSA office when calling to discuss the CFAP 2 application process. You can learn more about these solutions at farmers.gov/mydocs.

Producers of commodities with payments based on acreage will use acreage and yield
information provided by FSA through the annual acreage reporting process. Producers have the option to complete their application by working directly with their local FSA office or online through the CFAP 2 Application Portal.

All other eligibility forms, such as those related to adjusted gross income and payment information, can be downloaded from farmers.gov/cfap/apply. For existing FSA customers, including those who participated in CFAP 1, these documents are likely already on file.

Both CFAP 1 and CFAP 2 are self-certification programs, which means the applicant certifies the information submitted is correct. FSA will soon begin an important step in the internal controls portion of CFAP 1 by conducting spot checks. Producers have been randomly selected using a statistically sound methodology. These CFAP 1 applicants will be contacted by FSA staff and asked to provide supporting documentation to verify the information certified by the producer on their CFAP 1 application.

As of Nov. 9, FSA has paid more than $9.5 billion with more than 576,000 applications for CFAP 2. This builds upon more than $10.3 billion paid through CFAP 1.

More Information

To find the latest information on CFAP 2, visit farmers.gov/cfap or call 877-508-8364.

FSA Offers Joint Financing Option on Direct Farm Ownership Loans

The USDA Farm Service Agency's (FSA) Direct Farm Ownership loans can help farmers and ranchers become owner-operators of family farms, improve and expand current operations, increase agricultural productivity, and assist with land tenure to save farmland for future generations.

There are three types of Direct Farm Ownership Loans: regular, down payment and joint financing. FSA also offers a Direct Farm Ownership Microloan option for smaller financial needs up to $50,000.

Joint financing allows FSA to provide more farmers and ranchers with access to capital. FSA lends up to 50 percent of the total amount financed. A commercial lender, a State program or the seller of the property being purchased, provides the balance of loan funds, with or without an FSA guarantee. The maximum loan amount for a joint financing loan is $600,000, and the repayment period for the loan is up to 40 years.

The operation must be an eligible farm enterprise. Farm Ownership loan funds cannot be used to finance nonfarm enterprises and all applicants must be able to meet general eligibility requirements. Loan applicants are also required to have participated in the business operations of a farm or ranch for at least three years out of the 10 years prior to the date the application is submitted. The applicant must show documentation that their participation in the business operation of the farm or ranch was not solely as a laborer.

For more information about farm loans, visit fsa.usda.gov.
USDA announced the 2021 signup periods for general Conservation Reserve Program (CRP) and CRP Grasslands offers.

USDA announced the 2021 signup periods for general Conservation Reserve Program (CRP) and CRP Grasslands offers. General signup for CRP will be open from January 4, 2021 to February 12, 2021; signup for CRP Grasslands runs from March 15, 2021 to April 23, 2021. Both programs are competitive and provide annual rental payments for land devoted to conservation purposes.

CRP and the many focused programs that come under it, like CRP Grasslands, are some of the most critical tools to help producers better manage their operations while conserving natural resources. CRP has proven to protect the Nation’s valuable resources. Next year's signup gives farmers and ranchers an opportunity to enroll in CRP for the first time or continue their participation for another term.

Producers may apply by contacting their FSA office.

Current FSA Loan Interest Rates

Current program interest rates are effective as of December 1, 2020.

Farm Loan Interest Rates:

- Farm Operating - Direct: 1.250%
- Farm Operating - Microloan: 1.250%
- Farm Ownership - Direct: 2.375%
- Farm Ownership - Microloan: 2.375%
- Farm Ownership - Direct, Joint Financing: 2.500%
- Farm Ownership - Down Payment: 1.500%
- Emergency Loan - Amount of Actual Loss: 2.250%

Farm Storage Facility Loans (FSFL)

- 3-year FSFL: 0.250%
- 5-year FSFL: 0.375%
- 7-year FSFL: 0.625%
- 10-year FSFL: 0.875%
- 12-year FSFL: 1.000%

Please visit the Farm Loan Program webpage for information.
Sign Up for GovDelivery Bulletins from USDA-NRCS

Interested in learning more about conservation, technical, and financial assistance you can receive from our partner, the Natural Resources Conservation Service (NRCS)?

NRCS can help you try cover crops, no-till, and more through the Environmental Quality Incentives Program (EQIP). EQIP alone has over 100 different conservation practices for landowners to sign up for.

Join the NRCS Wisconsin GovDelivery to get announcements about program signups, farmers successes, tips on cover crops, and more by visiting the sign up page or the WI NRCS Home Page.

Enrollment Begins for Agriculture Risk Coverage and Price Loss Coverage Programs for 2021

Agricultural producers can now make elections and enroll in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2021 crop year. The signup period opened Tuesday, Oct. 13. These key U.S. Department of Agriculture (USDA) safety-net programs help producers weather fluctuations in either revenue or price for certain crops, and more than $5 billion in payments are in the process of going out to producers who signed up for the 2019 crop year.

Enrollment for the 2021 crop year closes March 15, 2021.

ARC provides income support payments on historical base acres when actual crop revenue declines below a specified guaranteed level. PLC provides income support payments on historical base acres when the effective price for a covered commodity falls below its 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 and short grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

2021 Elections and Enrollment
Producers can elect coverage and enroll in crop-by-crop ARC-County or PLC, or ARC-Individual for the entire farm, for the 2021 crop year. Although election changes for 2021 are optional, enrollment (signed contract) is required for each year of the program. If a producer has a multi-year contract on the farm and makes an election change for 2021, it will be necessary to sign a new contract.

If an election is not submitted by the deadline of March 15, 2021, the election defaults to the current election for crops on the farm from the prior crop year.

For crop years 2022 and 2023, producers will have an opportunity to make new elections during those signups. Farm owners cannot enroll in either program unless they have a share interest in the farm.
2019 Crop Year ARC and PLC Payments

FSA began processing payments last week for 2019 ARC-County (ARC-CO) and PLC on covered commodities that met payment triggers on farms enrolled for the 2019 crop year. In addition to the $5 billion now in process, FSA anticipates it will issue additional payments by the end of November for 2019 commodities covered under ARC-Individual (ARC-IC) and additional commodities that trigger PLC and ARC-CO payments for which rates have not yet been published.

Producers who had 2019 covered commodities enrolled in ARC-CO can visit the ARC and PLC webpage for payment rates applicable to their county and each covered commodity. For farms and covered commodities enrolled in 2019 PLC, the following crops met payment triggers: barley, canola, chickpeas (small and large), corn, dry peas, grain sorghum, lentils, peanuts, seed cotton and wheat.

Oats and soybeans did not meet 2019 PLC payment triggers.

2019 PLC payment rates for the following covered commodities have not been determined: crambe, flaxseed, long and medium grain rice, mustard seed, rapeseed, safflower, sesame seed, sunflower seed and temperate Japonica rice. Payment rates for these commodities will be announced at a later date.

Web-Based Decision Tools

In partnership with USDA, the University of Illinois and Texas A&M University offer web-based decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. Tools include:

• Gardner-farmdoc Payment Calculator, the University of Illinois tool that offers farmers the ability to run payment estimate modeling for their farms and counties for ARC-County and PLC.

• ARC and PLC Decision Tool, the Texas A&M tool allows producers to analyze payment yield updates and expected payments for 2021. Producers who have used the tool in the past should see their username and much of their farm data already available in the system.

More Information

For more information on ARC and PLC, including two online decision tools that assist producers in making enrollment and election decisions specific to their operations, visit the [ARC and PLC webpage](#).

For additional questions and assistance, contact your local USDA service center. To locate your local FSA office, visit [farmers.gov/service-locator](#).

Keeping Livestock Inventory Records

Livestock inventory records are necessary in the event of a natural disaster, so remember to keep them updated.

When disasters strike, the USDA Farm Service Agency (FSA) can help you if you’ve suffered excessive livestock death losses and grazing or feed losses due to eligible natural disasters.
To participate in livestock disaster assistance programs, you'll be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to your local FSA office within 30 calendar days of when the loss of livestock is apparent. For grazing or feed losses, you must submit a notice of loss to your local FSA office within 30 calendar days of when the loss is apparent and should maintain documentation and receipts.

You should record all pertinent information regarding livestock inventory records including:

- Documentation of the number, kind, type, and weight range of livestock
- Beginning inventory supported by birth recordings or purchase receipts;

For more information on documentation requirements, visit fsa.usda.gov.