



Wisconsin Farm Service Agency - September 2021

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Important Announcements

Dates to Remember:

- **September 6, 2021:** USDA Service Centers closed in Observance of Labor Day
- **September 17, 2021:** Deadline to apply for the [Pandemic Livestock Indemnity Program \(PLIP\)](#)
- **September 30, 2021:** [Noninsured Crop Disaster Assistance Program \(NAP\)](#) Deadline for Value Loss Crops including Flowers, Christmas Trees, Fin Fish, Ginseng, and Turfgrass Sod; Garlic; Perennial Forages; Rhubarb; Triticale; Wheat and Rye (winter and spring); and Wild Rice
- **September 30, 2021:** [Acreage Reporting](#) Deadline for Value Loss and Controlled Environment Crops (except Nursery)
- **October 4, 2021, 1:00 PM to 3:00 PM:** Northcentral Technical College [Field Day Open House](#). Attend to see the latest in agricultural technology, test plots and innovation offered at NTC's Agriculture Center of Excellence.
- **October 11, 2021:** USDA Service Centers closed in Observance of Columbus Day
- **October 12, 2021:** Deadline to apply for or modify applications for the [Coronavirus Food Assistance Program 2 \(CFAP 2\)](#)

- **October 15, 2021:** Deadline to apply for the [Pandemic Assistance for Timber Harvesters and Haulers program \(PATHH\)](#)

Important Reminders for WHIP+ and/or QLA:

Linkage Requirements for Payments Received Under WHIP+ and/or QLA

If you received a payment under the Wildfires and Hurricanes Indemnity Program+ (WHIP+) or the Quality Loss Adjustment Program (QLA) for crop production and/or quality losses occurring in 2018, 2019, or 2020 crop years, you are required to meet linkage requirements by obtaining federal crop insurance or Non-Insured Crop Disaster Assistance Program (NAP) coverage at the 60/100 level, or higher, for both the 2022 and 2023 crop years. When applying for WHIP+ or QLA, form FSA-895 (Crop Insurance and/or NAP Coverage Agreement) was submitted acknowledging the requirement to obtain federal crop insurance, if available, or NAP coverage if federal crop insurance is not available. The coverage requirement is applicable to the crop, crop type, intended use, and physical location county of the crop that received WHIP+ and/or QLA benefits.

*Producers should not delay contacting their federal crop insurance agent or local county FSA Office to inquire about coverage options, as **failure to obtain the applicable coverage by the sales/application closing date will result in the required refund of WHIP+ and/or QLA benefits received on the applicable crop, plus interest.** You can determine if crops are eligible for federal crop insurance or NAP by [visiting the RMA website](#).*

USDA Updates Pandemic Assistance for Livestock, Poultry Contract Producers and Specialty Crop Growers

The U.S. Department of Agriculture (USDA) is updating the Coronavirus Food Assistance Program 2 (CFAP 2) for contract producers of eligible livestock and poultry and producers of specialty crops and other sales-based commodities. CFAP 2, which assists producers who faced market disruptions in 2020 due to COVID-19, is part of USDA's broader Pandemic Assistance for Producers initiative. Additionally, USDA's Farm Service Agency (FSA) has set an **Oct. 12** deadline for all eligible producers to apply for or modify applications for CFAP 2.

Assistance for Contract Producers

The Consolidated Appropriations Act, 2021, provides up to \$1 billion for payments to contract producers of eligible livestock and poultry for revenue losses from Jan. 1, 2020, through Dec. 27, 2020. Contract producers of broilers, pullets, layers, chicken eggs, turkeys, hogs and pigs, ducks, geese, pheasants and quail may be eligible for assistance.

This update includes eligible breeding stock and eggs of all eligible poultry types produced under contract.

Payments for contract producers were to be based on a comparison of eligible revenue for the periods of Jan. 1, 2019, through Dec. 27, 2019, and Jan. 1, 2020, through Dec. 27, 2020. Today's changes mean contract producers can now elect to use eligible revenue from the period of Jan. 1, 2018, through Dec. 27, 2018, instead of that date range in 2019 if it is more representative. This change is intended to provide flexibility and make the program more equitable for contract producers who had reduced revenue in 2019 compared to a normal production year. The difference in revenue is then multiplied by 80% to determine a final payment. Payments to contract producers may be factored if total calculated payments exceed the available funding and will be made after the application period closes.

Additional flexibilities have been added to account for increases to operation size in 2020 and situations where a contract producer did not have a full period of revenue from Jan. 1 to Dec. 27 for either 2018 or 2019. Assistance is also available to new contract producers who began their farming operation in 2020.

Updates for Sales-Based Commodities

USDA is amending the CFAP 2 payment calculation for sales-based commodities, which are primarily comprised of specialty crops, to allow producers to substitute 2018 sales for 2019 sales. Previously, payments for producers of sales-based commodities were based only on 2019 sales, with 2019 used as an approximation of the amount the producer would have expected to market in 2020. Giving producers the option to substitute 2018 sales for this approximation, including 2018 crop insurance indemnities and 2018 crop year Noninsured Disaster Assistance Program (NAP) and Wildfire and Hurricane Indemnity Program Plus (WHIP+) payments, provides additional flexibility to producers of sales-based commodities who had reduced sales in 2019.

Grass seed has also been added as an eligible sales commodity for CFAP 2. A complete list of all eligible sales-based commodities can be found at farmers.gov/cfap2/commodities. Producers of sales-based commodities can modify existing applications.

Applying for Assistance

Newly eligible producers who need to submit a CFAP 2 application or producers who need to modify an existing one can do so by contacting their local FSA office. Producers can find their local FSA office by visiting farmers.gov/service-locator. Producers can also obtain one-on-one support with applications by calling 877-508-8364. All new and modified CFAP 2 applications are due by the Oct. 12 deadline.

Noninsured Crop Coverage Helps Producers Manage Risks

The Farm Service Agency's (FSA) Noninsured Crop Disaster Assistance Program (NAP) helps you manage risk through coverage for both crop losses and crop planting that was prevented due to natural disasters. The eligible or "noninsured" crops include agricultural commodities not covered by federal crop insurance.

You must be enrolled in the program and have purchased coverage for the eligible crop in the crop year in which the loss incurred to receive program benefits following a qualifying natural disaster.

NAP Buy-Up Coverage Option

NAP offers higher levels of coverage, from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price. Buy-up levels of NAP coverage are available if the producer can show at least one year of previously successfully growing the crop for which coverage is being requested.

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.

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

NAP Service Fees

For all coverage levels, the 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.

NAP Enhancements for Qualified Military Veterans

Qualified veteran farmers or ranchers are 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, contact your local USDA Service Center or visit fsa.usda.gov/nap.

Current FSA Loan Interest Rates

Current loan rates as of September 1, 2021

Farm Loan Interest Rates:

Farm Operating - Direct	1.875%
Farm Operating - Microloan	1.875%
Farm Ownership - Direct	3.000%
Farm Ownership - Microloan	3.000%
Farm Ownership - Direct, Joint Financing	2.500%
Farm Ownership - Down Payment	1.500%
Emergency - Amount of Actual Loss	2.875%

Farm Storage Facility Loans (FSFL):

3-year FSFL	0.375%
5-year FSFL	0.750%
7-year FSFL	1.000%
10-year FSFL	1.250%
12-year FSFL	1.375%

Please visit the [Farm Loan Program](#) webpage for more information.

Preauthorized Debit Available for Farm Loan Borrowers

USDA's Farm Service Agency (FSA) has implemented pre-authorized debit (PAD) for Farm Loan Program (FLP) borrowers. PAD is a voluntary and alternative method for making weekly, bi-weekly, monthly, quarterly, semi-annual or annual payments on loans.

PAD payments are pre-authorized transactions that allow the National Financial and Accounting Operations Center (NFAOC) to electronically collect loan payments from a customer's account at a financial institution.

PAD may be useful if you use nonfarm income from regular wages or salary to make payments on loans or adjustment offers or for payments from seasonal produce stands. PAD can only be established for future payments.

To request PAD, customers, along with their financial institution, must fill out form RD 3550-28. This form has no expiration date, but a separate form RD 3550-28 must be completed for each loan to which payments are to be applied. A fillable form can be accessed on the USDA Rural Development (RD) website at rd.usda.gov/publications/regulations-guidelines. Click forms and search for "Form 3550-28."

If you have a "filter" on the account at your financial institution, you will need to provide the financial institution with the following information: Origination ID: 1220040804, Agency Name: USDA RD DCFO.

PAD is offered by FSA at no cost. Check with your financial institution to discuss any potential cost. Preauthorized debit has no expiration date, but you can cancel at any time by submitting a written request to your local FSA office. If a preauthorized debit agreement receives three payment rejections within a three-month period, the preauthorized debit agreement will be cancelled by FSA. The payment amount and due date of your loan is not affected by a cancellation of preauthorized debit. You are responsible to ensure your full payment is made by the due date.

For more information about PAD, contact your local USDA Service Center or visit fsa.usda.gov.

USDA to Invest \$50 Million in New Cooperative Agreements for Racial Justice and Equity

The U.S. Department of Agriculture (USDA) is investing up to \$50 million in cooperative agreements to support historically underserved farmers and ranchers with climate-smart agriculture and forestry. The Racial Justice and Equity Conservation Cooperative Agreements are available to entities and individuals for two-year projects that expand the delivery of conservation assistance to farmers who are beginning, limited resource, socially disadvantaged, and veteran farmers.

“Historically underserved producers face significant barriers in accessing USDA assistance for conservation and climate-smart agriculture,” said Natural Resources Conservation Service (NRCS) Wisconsin State Conservationist Angela Biggs. “USDA is committed to revising programs to be more equitable, and these producers deserve our support as they contribute to our vibrant and diverse agricultural communities.”

The projects should help historically underserved farmers and ranchers in implementing natural resources conservation practices that:

- Improve soil health;
- Improve water quality;
- Provide habitat for local wildlife species of concern;
- Improve the environmental and economic performance of working agricultural land; and
- Build and strengthen local food projects that provide healthy food and economic opportunities.

Projects should remove barriers to access and reach historically underserved groups through a combination of program outreach and technical assistance in managing natural resources that address one or more of the following four NRCS priority areas:

- Addressing local natural resource issues;
- Using climate-smart agriculture practices and principles;

- Encouraging existing and new partnerships; and
- Developing state and community-led conservation leadership for historically underserved agricultural producers, including educating and training students for careers in natural resources management.

Who Is Eligible

Entities and individuals who provide outreach assistance to historically underserved groups are eligible, including:

- Native American tribal governments and organizations
- Nonprofit organizations
- Private and public institutions of higher education
- Individuals

Historically underserved producers include those who are considered beginning, limited resource, socially disadvantaged, and veteran farmers and ranchers.

How to Apply

Applications must be received by 11:59 p.m. Eastern Standard Time on October 25, 2021. See the [grants.gov announcement](#) for details and application instructions.

This NRCS assistance builds on other USDA assistance to help historically underserved producers. In July, USDA's Risk Management Agency invested nearly \$1 million in nine risk management education projects focused on historically underserved producers. Meanwhile, USDA's Farm Service Agency (FSA) announced in April its plans to establish partnerships with organizations to provide outreach and technical assistance to socially disadvantaged farmers and ranchers. FSA plans to announce those partnerships in the coming weeks.

Under the Biden-Harris Administration, USDA is engaged in a whole-of-government effort to combat the climate crisis and conserve and protect our nation's lands, biodiversity and natural resources including our soil, air and water. Through conservation practices and partnerships, USDA aims to enhance economic growth and create new streams of income for farmers, ranchers, producers and private foresters. Successfully meeting these challenges will require USDA and our agencies to pursue a coordinated approach alongside USDA stakeholders, including State, local and Tribal governments.

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris Administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit www.usda.gov.

Producers Can Now Hay, Graze and Chop Cover Crops Anytime and Still Receive Full Prevented Planting Payment

Agricultural producers with crop insurance can hay, graze or chop cover crops for silage, haylage or baleage at any time and still receive 100% of the prevented planting payment. Previously, cover crops could only be hayed, grazed or chopped after November 1, otherwise the prevented planting payment was reduced by 65%.

USDA's Risk Management Agency (RMA) added this flexibility as part of a broader effort to encourage producers to use cover crops, an important conservation and good farming practice. Cover crops are especially important on fields prevented from planting as they help reduce soil erosion and boost soil health.

RMA recognizes that cover crops are not planted as an agricultural commodity but rather with the primary purpose for conservation benefits. For the 2021 crop year and beyond, RMA will not consider a cover crop planted following a prevented planting claim to be a second crop. But RMA will continue to consider a cover crop harvested for grain or seed to be a second crop, and it remains subject to a reduction in the prevented planting indemnity in accordance with the policy.

This decision to allow flexibility for the 2021 crop year and to make the change permanent for future years builds on the advanced research and identified benefits cover crops have supporting healthy soils and cropland sustainability efforts.

More Information

To learn more about this policy change, visit RMA's [Prevented Planting webpage](#). The webpage also has the latest Cover Crop Termination Guidelines, which USDA updated in 2019 as a result of greater flexibilities provided in the 2018 Farm Bill. Crop insurance is sold and delivered solely through private crop insurance agents. A list of crop insurance agents is available at all USDA Service Centers and online at the [RMA Agent Locator](#). Learn more about crop insurance and the modern farm safety net at rma.usda.gov.

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