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Wisconsin Farm Service Agency - January 2022

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Dates to Remember

January 15, 2022: Acreage Reporting deadline for Apples and Cranberries

January 17, 2022: USDA Service Centers closed in Observance of the Birthday of Martin Luther King, Jr.

January 31, 2022: Final Deadline to submit Application for Payment for 2021 losses for the <u>Emergency Assistance for Livestock</u>, <u>Honeybees and Farm-Raised Fish Program</u>

January 31, 2022: Deadline to request Marketing Assistance Loans for prior year wool and mohair. Deadline to request and/or submit eligibility documents for prior year wool, mohair, and unshorn pelt LDPs

January 31, 2022: Deadline to submit application for payment and supporting documentation for 2021 <u>Livestock Forage Disaster Program (LFP)</u>

February 4, 2022: Deadline to sign up for <u>Organic and Transitional Education and</u> <u>Certification Program (OTECP)</u>

February 18, 2022: <u>Dairy Margin Coverage and Supplemental Dairy Margin Coverage</u> enrollment deadline. **February 21, 2022:** USDA Service Centers closed in observance of Washington's Birthday

February 25, 2022: Spot Market Hog Pandemic Program (SMHPP) Deadline to apply

Deadline Extended to Apply for Pandemic Support for Certified Organic and Transitioning Operations

The U.S. Department of Agriculture (USDA) has extended the deadline for agricultural producers who are certified organic, or transitioning to organic, to apply for the Organic and Transitional Education and Certification Program (OTECP). This program provides pandemic assistance to cover certification and education expenses. The deadline to apply for 2020 and 2021 eligible expenses is now Feb. 4, 2022, rather than the original deadline of Jan. 7, 2022.

Signup for OTECP, administered by USDA's Farm Service Agency (FSA), began Nov. 8.

Certified operations and transitional operations may apply for OTECP for eligible expenses paid during the 2020, 2021 and 2022 fiscal years. Signup for the 2022 fiscal year will be announced at a later date.

For each year, OTECP covers 25% of a certified operation's eligible certification expenses, up to \$250 per certification category (crop, livestock, wild crop, handling and State Organic Program fee). This includes application fees, inspection fees, USDA organic certification costs, state organic program fees and more.

Crop and livestock operations transitioning to organic production may be eligible for 75% of a transitional operation's eligible expenses, up to \$750, for each year. This includes fees charged by a certifying agent or consultant for pre-certification inspections and development of an organic system plan.

For both certified operations and transitional operations, OTECP covers 75% of the registration fees, up to \$200, per year, for educational events that include content related to organic production and handling in order to assist operations in increasing their knowledge of production and marketing practices that can improve their operations, increase resilience and expand available marketing opportunities. Additionally, both certified and transitional operations may be eligible for 75% of the expense of soil testing required under the National Organic Program (NOP) to document micronutrient deficiency, not to exceed \$100 per year.

Producers apply through their local FSA office and can also obtain one-on-one support with applications by calling 877-508-8364. The program application and additional information can be found at <u>farmers.gov/otecp</u>.

Additional Organic Support

OTECP builds upon USDA's <u>Organic Certification Cost Share Program (OCCSP)</u> which provides cost share assistance of 50%, up to a maximum of \$500 per scope, to producers and handlers of agricultural products who are obtaining or renewing their certification under the NOP. Although the application period for OCCSP ended Nov. 1, 2021, FSA will consider late-filed applications for those operations who still wish to apply.

Meanwhile, USDA's Risk Management Agency (RMA) recently <u>made improvements to</u> <u>Whole-Farm Revenue Protection</u> to make it more flexible and accessible to organic producers.

To learn more about USDA's broader assistance for organic producers, visit <u>usda.gov/organic</u>.

Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program (ELAP)

ELAP provides emergency assistance to eligible livestock, honeybee, and farm-raised fish producers who have losses due to disease, adverse weather or other conditions, such as blizzards and wildfires, not covered by other agricultural disaster assistance programs.

Eligible losses include:

- Livestock grazing losses not covered under the Livestock Forage Disaster Program (LFP), loss of purchased feed and/or mechanically harvested feed due to an eligible adverse weather event, additional cost of transporting water because of an eligible drought, feed transportation costs due to eligible drought, and additional cost associated with gathering livestock to treat for cattle tick fever.
- **Honeybee** loss of purchased feed due to an eligible adverse weather event, cost of additional feed purchased above normal quantities due to an eligible adverse weather condition, colony losses in excess of normal mortality due to an eligible weather event or loss condition, including CCD, and hive losses due to eligible adverse weather.
- **Farm-Raised Fish** death losses in excess of normal mortality and/or loss of purchased feed due to an eligible adverse weather event.

If you've suffered eligible livestock, honeybee, or farm-raised fish losses during calendar year 2021, you must file:

- A notice of loss within 30 calendar days after the loss is apparent (15 days for honeybee losses)
- An application for payment by Jan. 31, 2022

Current FSA Loan Interest Rates

Current loan rates as of January 1, 2022.

Farm Loan Interest Rates:

Farm Operating - Direct	2.125%
Farm Operating - Microloan	2.125%
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	3.125%

Farm Storage Facility Loans (FSFL):

3-year FSFL	0.875%
5-year FSFL	1.250%
7-year FSFL	1.375%
10-year FSFL	1.500%
12-year FSFL	1.625%

Please visit the Farm Loan Program webpage for more information.

Update to Dairy Margin Coverage to Provide an Additional \$47,409,000 for Wisconsin Dairy Producers

The U.S. Department of Agriculture will begin issuing additional payments for dairy producers who enrolled in 2020 and 2021 coverage through the Dairy Margin Coverage (DMC). USDA's Farm Service Agency (FSA) updated the feed cost calculation by using 100% premium alfalfa hay rather than 50% premium hay in determining the monthly margin, which means an additional \$47,409,000 for dairy producers in Wisconsin. Payments will be retroactive to Jan. 1, 2020. Dairy operations with 2020 and 2021 contracts will be paid automatically for the applicable months.

In addition to updating the feed cost, <u>USDA announced other dairy-related updates</u>, including the start of the 2022 DMC signup as well as the new Supplemental DMC. Both will run from Dec. 13, 2021 to Feb. 18, 2022. DMC is an important safety-net program. So far in 2021, DMC payments have triggered for January through October for more than \$1.0 billion.

More Information

To learn more or to participate in DMC, producers should contact their local <u>USDA Service</u> <u>Center</u>. To determine the appropriate level of DMC coverage for a specific dairy operation, producers can also use the <u>online dairy decision tool</u>. Service Center staff continue to work with agricultural producers via phone, email and other digital tools. Because of the pandemic, some USDA Service Centers are open to limited visitors. Producers should contact their Service Center to set up an in-person or phone appointment. Additionally, more information related to USDA's response and relief for producers can be found at <u>farmers.gov/coronavirus</u>.

USDA Invests Nearly \$5 Million in Wetland Mitigation Banks

The U.S. Department of Agriculture (USDA) has awarded nearly \$5 million in grant funding for the <u>Wetland Mitigation Banking Program</u> (WMBP), a grant program that supports the development of mitigation banks for the restoration, creation or enhancement of wetlands to compensate for unavoidable impacts to wetlands at another location.

The awarded funding adds to the more than \$12.4 million that has been provided to 13 partners in 11 states since 2016. This year's awards prioritized projects in states with large amounts of wetlands as well as large numbers of producers with wetland determination requests.

Awarded projects in Wisconsin include:

WISCONSIN DEPARTMENT OF NATURAL RESOURCES

NRCS Funding Amount: \$516,056; Partner Funds: \$129,011

State: Wisconsin

WISCONSIN DNR plans to establish two mitigation sites totaling 17 acres in the first year of the project, identifying additional sites using a watershed approach in subsequent years. Via the Wisconsin Wetland Conservation Trust, Wisconsin's in-lieu fee program, WDNR will first implement sites on existing state lands or sites donated by private landowners, with the ultimate goal of funding program operations entirely through credit sales.

About the Wetland Mitigation Banking Program

The WMBP helps agricultural producers comply with wetland conservation provisions and conserve ecologically important wetlands by allowing for off-site mitigation through the purchase of credits from wetland banks established and run by local partners.

NRCS awarded the first WMBP grants in 2016 and so far, 21 wetland bank sites have been established through the program, totaling 313 acres. Several more sites have been secured and are in various stages of the restoration process. States with awarded projects include Arkansas, Georgia, Illinois, Iowa, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio and South Dakota.

Wetland mitigation banks are helping producers across the country. In Georgia, NRCS has partnered since 2016 with Corblu Ecology Group, LLC, an environmental consulting firm, to develop multiple mitigation bank sites to sell credits to producers statewide. In Ohio, NRCS funded the restoration and development of a thirty-acre mitigation bank in the Otter Creek Watershed, creating habitats for wildlife and migratory birds.

Awardees may use WMBP funding to support mitigation bank site identification, development of a mitigation banking instrument, site restoration, land surveys, permitting and title searches and market research. WMBP funding cannot be used to purchase land or a conservation easement.

More Information

More information about the WMBP program is available on the WMBP webpage.

Disaster Assistance for 2021 Livestock Forage Losses

Producers in some Wisconsin counties are eligible to apply for 2021 Livestock Forage Disaster Program (LFP) benefits. Counties that met the LFP drought trigger according to the US Drought Monitor, and therefore are eligible for LFP, are Kenosha, Milwaukee, Racine, Rock, and Walworth counties.

LFP provides compensation if you 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. You must complete a CCC-853 and the required supporting documentation no later than January 31, 2022, for 2021 losses.

For additional information about LFP, including eligible livestock and fire criteria, contact the local USDA Service Center or visit <u>fsa.usda.gov</u>.

USDA Expands Partnerships for Conservation Through Its Conservation Reserve Enhancement Program

The U.S. Department of Agriculture (USDA) is leveraging its authorities under the <u>Conservation Reserve Enhancement Program</u> (CREP) to bring in new types of partners and ultimately expand opportunities in voluntary conservation for the Nation's agricultural producers and private landowners. In direct response to feedback from state agencies, Tribes, non-profits and other groups, USDA has updated CREP's rule regarding matching fund requirements, and invested in additional staff to work directly with partners for streamlined, partner-driven conservation efforts.

CREP is part of the Conservation Reserve Program (CRP) and enables USDA's Commodity Credit Corporation (CCC), through Farm Service Agency (FSA), and partners to co-invest in partner-led projects. CREP also plays an important role in USDA's broader climate change strategy, bringing together producers, landowners and partners for climate-smart land management.

Matching Funds

A Dec. 6, 2019, rule required that 50% of matching funds from partners be in the form of direct payments, which made it more difficult for diverse types of groups to participate as partners in CREP. With this rule change, partners can now provide their negotiated level of matching funds in the form of cash, inkind contributions, or technical assistance. This change allows for greater flexibility and opportunity for additional partners to participate in the program.

This change was enacted through a Dec. 13, 2021 rule in the Federal Register.

The rule also updated policy to now provide a full annual rental rate to producers who are impacted by state, Tribal or local laws, ordinances and regulations that require a resource conserving or environmental protection measure. The previous rule reduced the rental payment made to producers who were covered by such laws.

Additional Capacity to Support Partners and Producers

In order to implement these changes, FSA has hired three new CREP staff members, using a regional approach to work closely with potential and existing partners and expand program availability. The team members include:

- Evelyn Whitesides, focusing on Alabama, Connecticut, Delaware, Florida, Georgia, Kentucky Maine, Maryland, Massachusetts, Mississippi, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia and Caribbean Region (Puerto Rico and Virgin Islands).
- **Kim Martin**, focusing on Arkansas, Illinois, Indiana, Iowa, Kansas, Louisiana, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Oklahoma, South Dakota, Texas and Wisconsin.
- **Patrick Lewis**, focusing on Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Pacific Basin, Utah, Washington and Wyoming.

These investments in CREP staffing build on other recent outreach and education efforts by FSA, including a <u>\$4.7 million investment announced this</u> <u>year</u> to establish partnerships with organizations to provide outreach and technical assistance to historically underserved farmers and ranchers on a variety of CCC and FSA programs, including conservation programs.

Currently, all CREP partners are States; however, FSA is strongly encouraging Tribes and non-governmental organizations to consider partnerships. This program is a great vehicle for their conservation-focused efforts.

About CREP

Currently, CREP has 34 projects in 26 states. In total, more than 860,000 acres are enrolled in CREP.

Eligible partners include States, Tribal groups, and non-governmental organizations. Potential partners interested in CREP should contact their FSA <u>State Office</u> or one of the new CREP team members listed above.

More Information

Earlier this year, FSA rolled out a number of improvements to CRP, which included a larger emphasis on climate-smart agriculture through a new Climate-Smart Practice Incentive for CRP general and continuous signups. Learn more in our <u>"What's New with CRP" fact sheet</u>. These updates to CREP build on FSA's larger effort to improve all components of CRP.

To learn about CREP and other CRP opportunities, producers and landowners should contact their local USDA Service Center.

Borrower Training for Farm Loan Customers

Borrower training is available for all Farm Service Agency (FSA) customers. This training is required for all direct loan applicants, unless the applicant has a waiver issued by the agency.

Borrower training includes instruction in production and financial management. The purpose is to help the applicants develop and improve skills that are necessary to successfully operate a farm and build equity in the operation. It aims to help the producer become financially successful. Borrower training is provided, for a fee, by agency approved vendors. Contact your local FSA Farm Loan Manager for a list of approved vendors.

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