From Brenda’s Desk

As harvest continues, I’m sure all of you are busy getting your crops out of the fields and to market or storage. I would like to remind you of the marketing tools available through Farm Service Agency. Crop prices are strong and the only commodities eligible for a Loan Deficiency Payment (LDP) are wool and mohair. Marketing Assistance Loans (MAL’s) are available for many of your stored commodities. Please see the attached article or contact the office for more information on MAL.

The drought has had a big impact on many livestock producers and we at FSA have been busy administering program and getting assistance out to those that qualify. Programs currently available for drought assistance are: Livestock Forage Program (LFP), Emergency Livestock Assistance Program (ELAP) for water hauling or excess feed purchases, and Emergency Conservation Program (ECP) to implement emergency water conservation measures due to drought. ECP drought signup ends on September 24. LFP and ELAP signup continues through January 31, 2022. Please contact the office if you have any questions about any of these programs.

Due to Covid our office door is once again locked. Please call or email for an appointment and arrangements will be made to assist you however possible.

Wishing everyone a safe and prosperous harvest with favorable weather.

FSA Outlines MAL and LDP Policy

The 2018 Farm Bill extends loan authority through 2023 for Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs).

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, rice, peanuts, cotton, wool and honey. MALs provide you with interim financing after harvest to help you meet cash flow needs without having to sell your commodities when market prices are typically at harvest-time lows. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available. Marketing loan provisions and LDPs are not available for sugar and extra-long staple cotton.

FSA is now accepting requests for 2021 MALs and LDPs for all eligible commodities after harvest. Requests for loans and LDPs shall be made on or before the final availability date for the respective commodities.

Commodity certificates are available to loan holders who have outstanding nonrecourse loans for wheat, upland cotton, rice, feed grains, pulse crops (dry peas, lentils, large and small chickpeas), peanuts, wool, soybeans and designated minor oilseeds. These certificates can be purchased at the posted county price (or adjusted world price or national posted price) for the quantity of commodity under loan, and must be immediately exchanged for
the collateral, satisfying the loan. MALs redeemed with commodity certificates are not subject to Adjusted Gross Income provisions.

To be considered eligible for an LDP, you must have form CCC-633EZ, Page 1 on file at your local FSA Office before losing beneficial interest in the crop. Pages 2, 3 or 4 of the form must be submitted when payment is requested.

Marketing loan gains (MLGs) and loan deficiency payments (LDPs) are no longer subject to payment limitations, actively engaged in farming and cash-rent tenant rules.

Adjusted Gross Income (AGI) provisions state that if your total applicable three-year average AGI exceeds $900,000, then you’re not eligible to receive an MLG or LDP. You must have a valid CCC-941 on file to earn a market gain of LDP. The AGI does not apply to MALs redeemed with commodity certificate exchange.

For more information and additional eligibility requirements, contact your Big Horn County USDA Service Center at 307-765-2689 or visit fsa.usda.gov.

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**Maintaining Good Credit History**

Farm Service Agency (FSA) loans require applicants to have a satisfactory credit history. A credit report is requested for all FSA direct farm loan applicants. These reports are reviewed to verify outstanding debts, see if bills are paid timely and to determine the impact on cash flow.

Information on your credit report is strictly confidential and is used only as an aid in conducting FSA business.

Our farm loan staff will discuss options with you if you have an unfavorable credit report and will provide a copy of your report. If you dispute the accuracy of the information on the credit report, it is up to you to contact the issuing credit report company to resolve any errors or inaccuracies.

There are multiple ways to remedy an unfavorable credit score:

- Make sure to pay bills on time
  - Setting up automatic payments or automated reminders can be an effective way to remember payment due dates.
- Pay down existing debt
- Keep your credit card balances low
- Avoid suddenly opening or closing existing credit accounts

FSA’s farm loan staff will guide you through the process, which may require you to reapply for a loan after improving or correcting your credit report.

For more information on FSA farm loan programs, contact your Big Horn County USDA Service Center at 307-765-2689 or visit fsa.usda.gov.

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**It’s Cover Crop Season. What are your Field Goals?**

Whether your field goals are improved soil health, better water quality or livestock forage, having planting cover crops can help meet the conservation and economic goals you’ve set for your operation. In fact, properly managed cover crops can help you score multiple field goals. You can learn more about cover crops through this short video and by contacting your local NRCS field office.