July 2020

Farm Service Agency Electronic News Service

NEWSLETTER

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Maryland FSA Newsletter

Maryland Farm Service Agency

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State Executive Director:
Jim Eichhorst

May Margin Triggers Dairy Margin Coverage Program Payment

The U.S. Department of Agriculture's Farm Service Agency (FSA) today announced that the May 2020 income over feed cost margin was $5.37 per hundredweight (cwt.), triggering the third payment of 2020 for dairy producers who purchased the appropriate level of coverage under the Dairy Margin Coverage (DMC) program.
To date, FSA has issued more than $176 million in program benefits to dairy producers who purchased DMC coverage for 2020.

Authorized by the 2018 Farm Bill, DMC is a voluntary risk management program that offers protection to dairy producers when the difference between the all-milk price and the average feed price (the margin) falls below a certain dollar amount selected by the producer. Over 13,000 operations enrolled in the program for the 2020 calendar year.

State Committee:
Jenny Rhodes, Chairperson
Steve Ernst
Steve Issacson
Chris Parker

To find contact information for your local office go to www.fsa.usda.gov/md

Although DMC enrollment for 2020 coverage has closed, signup for 2021 coverage will begin October 13 and will run through December 11, 2020.

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 with the FSA, Natural Resources Conservation Service, or any other Service Center agency should call ahead and schedule an appointment. Service Centers that are open for appointments will pre-screen visitors based on health concerns or recent travel and visitors must adhere to social distancing guidelines. Visitors may also be required to wear a face covering during their appointment. Field work will continue with appropriate social distancing. Our program delivery staff will be in the office, and they will be working with our producers in office, by phone, and using online tools. More information can be found at farmers.gov/coronavirus.

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.

One-Time PLC Yield Updates – Deadline September 30

Farm owners have a one-time opportunity to update PLC yields of covered commodities on the farm, regardless of Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC)program election. The deadline to request a PLC yield update is September 30, 2020.

The updated yield will be equal to 90 percent of the average yield per planted acre in crop years 2013-2017 (excluding any year where the applicable covered commodity was not planted), subject to the ratio obtained by dividing the 2008-2012 average national yield by the 2013-2017 average national yield for the covered commodity. If the reported yield in any year is less than 75 percent of the 2013-2017 average county yield, then the yield will be substituted with 75 percent of the county average yield.

The chart below provides the ratio obtained by dividing the 2008-2012 average national yield by the 2013-2017 average national yield for each covered commodity.

Barley	0.9437
Corn	0.9000
Grain Sorghum	0.9077
Oats	0.9524
Seed Cotton	0.9000
Soybeans	0.9000

Wheat	0.9545

It is the owner's choice whether to update or keep existing PLC yields. If a yield update is not made, then no action is required to maintain the existing PLC yield. An existing or updated PLC yield will be maintained and effective for crop years 2020 through 2023 (life of the 2018 Farm Bill).

PLC yields may be updated on a covered commodity-by-covered commodity basis using FSA form CCC-867.

For more information, reference resources and decision tools, visit farmers.gov/arc-plc. Contact your local Farm Service Agency Office for assistance – farmers.gov/service-center-locator.

Nominations Open for the 2020 County Committee Elections

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) encourages all farmers, ranchers, and FSA program participants to take part in their County Committee election nomination process.

FSA's county committees are a critical component of the day-to-day operations of FSA and allow grassroots input and local administration of federal farm programs.

Committees are comprised of locally elected agricultural producers responsible for the fair and equitable administration of FSA farm programs in their counties. Committee members are accountable to the Secretary of Agriculture. If elected, members become part of a local decision making and farm program delivery process.

A county committee is composed of three to 11 elected members from local administrative areas (LAA). Each member serves a three-year term. One-third of the seats on these committees are open for election each year.

County committees may have an appointed advisor to further represent the local interests of underserved farmers and ranchers. Underserved producers are beginning, women and other minority farmers and ranchers and landowners and/or operators who have limited resources.

All nomination forms for the 2020 election must be postmarked or received in the local **USDA Service Center by Aug. 1, 2020 (or next business day).** For more information on FSA county committee elections and appointments, refer to the FSA fact sheet: Eligibility to Vote and Hold Office as a COC Member available online at: fsa.usda.gov/elections.

USDA Offers Drought Impacted State Farmers and Ranchers Immediate Disaster Assistance

Farm Service Agency Stands Ready to Assist Agricultural Producers Affected by Drought

Maryland Farm Service Agency (FSA) reminds farmers and ranchers of federal farm program benefits that may be available to help eligible producers recover from drought.

FSA offers disaster assistance and low-interest loan programs to assist agricultural producers in their recovery efforts during drought or similar qualifying natural disasters. Available programs and loans include:

• **Non-Insured Crop Disaster Assistance Program (NAP**) – provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occur due to natural disasters (includes native grass for grazing). Eligible producers must have purchased NAP coverage for 2019 crops.
• **Livestock Forage Disaster Program (LFP)** – provides compensation to eligible livestock producers who suffered grazing losses for covered livestock due to drought on privately owned or cash leased land or if a federal agency prohibits producers from grazing normally permitted livestock on federally managed lands due to qualifying fire. Producers must provide a completed application for payment and required supporting documentation to their FSA office within 30 calendar days after the end of the calendar year in which the grazing loss occurred.
• **Livestock Indemnity Program (LIP)** – LIP provides benefits to livestock producers for livestock deaths in excess of normal mortality caused by eligible adverse weather conditions. Drought is not an eligible adverse weather event, except when associated with anthrax, a condition that occurs because of drought and directly results in the death of eligible livestock. Producers must submit a notice of loss within 30 days after the death is first apparent.
• **Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP)** – provides emergency relief for losses due to feed or water shortages, disease, adverse weather, or other conditions, which are not adequately addressed by other disaster programs. Producers must submit a notice of loss to their local FSA office within 30 calendar days of when the loss is apparent.
• **Emergency Loan Program –** Available to producers with agriculture operations located in a county under a primary or contiguous Secretarial Disaster designation. These low interest loans help producers recover from production and physical losses.
• **Emergency Conservation Program (ECP)** – provides emergency funding for farmers and ranchers to rehabilitate land severely damaged by natural disasters and to implement emergency water conservation measures in periods of severe drought. Submit an application at your local FSA office.
• **Conservation Reserve Program (CRP) Emergency Grazing** – authorized to provide relief to livestock producers in areas affected by a severe drought or similar natural disaster on qualifying CRP acres. Emergency authorization is provided by either a national FSA office authorization or by a state FSA committee determination utilizing the U.S. Drought Monitor.

To establish or retain FSA program eligibility, farmers and ranchers must report prevented planting and failed acres (crops and grasses). Prevented planting acreage must be reported on form FSA-576, Notice of Loss, no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA).

For more information on disaster assistance programs and loans visit fsa.usda.gov/disaster or contact your local FSA Office. To find your local FSA county office, visit offices.usda.gov

USDA Microloans Help Farmers Purchase Farmland and Improve Property

Producers, Including Beginning and Underserved Farmers, Have a New Option to Gain Access to Land

The U.S. Department of Agriculture (USDA) is offering farm ownership microloans, creating a new financing avenue for farmers to buy and improve property. These microloans are especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations.

The microloan program has been hugely successful, providing more than 16,800 low-interest loans, totaling over $373 million to producers across the country. Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013. Seventy percent of loans have gone to new farmers.

Now, microloans will be available to also help with farm land and building purchases, and soil and water conservation improvements. FSA designed the expanded program to simplify the application process, expand eligibility requirements and expedite smaller real estate loans to help farmers strengthen their operations. Microloans provide up to $50,000 to qualified producers and can be issued to the applicant directly from the USDA Farm Service Agency (FSA).

To learn more about the FSA microloan program visit www.fsa.usda.gov/microloans, or contact your local FSA office.

Beginning Farmer Loans

FSA assists beginning farmers to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county's average size farm.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit fsa.usda.gov.

Selected Interest Rates for July 2020

Farm Operating Loans- Direct	1.375%
Farm Ownership- Direct	2.250%
Farm Ownership- Direct, Joint Financing	2.5%
Farm Ownership- Down Payment	1.5%
Farm Storage Facility Loans (7 years)	0.50%
