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Just Around the Corner

Dairy

Feb. 18 is the deadline to sign up for the [Dairy Margin Coverage Program](#) and Supplemental DMC.

Honey & Maple Sap

Jan. 2 is the deadline to report the number of colonies in production for honey.

Feb. 1 is the deadline to report the acreage for 2022 maple sap production.

Organic

Jan. 7 is the deadline to sign up for 2020 and 2021 [Organic and Transitional Education and Certification Program \(OTECP\)](#).

Perennial Crops

Jan. 15 is the deadline to report the acreage for 2022 perennial fruit and nut crops.

Wool & Mohair

Jan. 31 is the deadline to apply for a [Marketing Assistance Loan or Loan Deficiency Payment](#) for 2021 harvested wool and mohair. It is also the deadline to apply for a LDP for 2021 unshorn pelts.



Additional Support for Certified Organic and Transitioning Operations

USDA will provide pandemic assistance to cover certification and education expenses through the new [Organic and Transitional Education and Certification Program \(OTECP\)](#) as part of USDA's broader [Pandemic Assistance for Producers initiative](#).



Eligible Expenses

OTECP funding is provided through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Certified operations and transitional operations may apply for OTECP for eligible expenses paid during the 2020, 2021 and 2022 fiscal years. 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.

Applying for Assistance

Signup for 2020 and 2021 OTECP will be Nov. 8, 2021, through Jan. 7, 2022. Producers apply through their local Farm Service Agency (FSA) office and can also obtain one-on-one support with applications by calling 877-508-8364. Visit farmers.gov/otecp to learn more.

Additional Organic Support

OTECP builds upon USDA's Organic Certification Cost Share Program (OCCSP) 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. This year's application period for OCCSP ended Nov. 1, 2021.

Additionally, USDA's Risk Management Agency announced improvements to the Whole-Farm Revenue Program including increasing expansion limits for organic producers to the higher of \$500,000 or 35%. Previously, small and medium size organic operations were held to the same 35% limit to expansion as conventional practice producers. Also, producers can now report acreage as certified organic, or as acreage in transition to organic, when the producer has requested an organic certification by the acreage reporting date.

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

Update to Dairy Margin Coverage to Provide an Additional \$6.18 Million for Michigan Dairy Producers

USDA will begin issuing additional payments this month for dairy producers who enrolled in 2020 and 2021 coverage through the Dairy Margin Coverage (DMC) Program.

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 \$6.18 million for dairy producers in Michigan. Payments will be retroactive to Jan. 1, 2020. Dairy operations with 2020 and 2021 contracts will be paid automatically for the applicable months.



DMC & Supplemental DMC Signup Now Open

In addition to updating the feed cost, FSA also opened signup for 2022 DMC and 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, \$47.9 million of which was paid to Michigan dairy producers.

More Information

To learn more or to participate in DMC, producers should contact their local [USDA Service Center](#). To determine the appropriate level of DMC coverage for a specific dairy operation, producers can also use the [online dairy decision tool](#).

2021 Marketing Assistance Loans and Loan Deficiency Payments

Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs) provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, 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 contact your [local USDA Service Center](#) or visit fsa.usda.gov.

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 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+ 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](#).

For more information, contact your contact your [local USDA Service Center](#) or visit fsa.usda.gov.

FSA is Accepting CRP Continuous Enrollment Offers

The Farm Service Agency (FSA) is accepting offers for specific conservation practices under the [Conservation Reserve Program \(CRP\) Continuous Signup](#).

In exchange for a yearly rental payment, farmers enrolled in the program agree to remove environmentally sensitive land from agricultural production and to plant species that will improve environmental health and quality. The program's long-term goal is to re-establish valuable land cover to improve water quality, prevent soil erosion, and reduce loss of wildlife habitat. Contracts for land enrolled in CRP are 10-15 years in length.



Under continuous CRP signup, environmentally sensitive land devoted to certain conservation practices can be enrolled in CRP at any time. Offers for continuous enrollment are not subject to competitive bidding during specific periods. Instead they are automatically accepted provided the land and producer meet certain eligibility requirements and the enrollment levels do not exceed the statutory cap.

For more information, including a list of acceptable practices, contact your [local USDA Service Center](#) or visit fsa.usda.gov/crp.

USDA Issues Final Pandemic Payments for Michigan Timber Harvesters and Haulers

The U.S. Department of Agriculture began issuing final pandemic assistance payments to timber harvesters and timber hauling businesses through the [Pandemic Assistance for Timber Harvesters and Haulers \(PATHH\) program](#) the week of Dec. 5, 2021.

In the initial set of PATHH payments, 187 Michigan timber harvesters and haulers received a total of over \$370,000.

To ensure adequate funding for all eligible loggers and truckers, the Farm Service Agency made an initial payment of equal to the lesser of the application calculated payment amount or \$2,000. Final payments for PATHH participants whose calculated payment exceeded \$2000 are being issued beginning this month.

Based on the number of actual PATHH applications filed nationally, FSA was required to lower the payment limitation for PATHH from \$125,000 to \$75,000 and apply a payment factor of 70.5% across all calculated payments to ensure program outlays do not exceed the nationally available funding. These provisions were previously outlined in the [Notice of Funding Availability](#) in the event the revenue loss reported exceeded available funding.

In total, over \$7.12 million will be provided to Michigan loggers and log trucking businesses who experienced a gross revenue loss of at least 10% during the period of Jan. 1 through Dec. 1, 2020, compared to the period of Jan. 1 through Dec. 1, 2019. This support is part of USDA's broader [Pandemic Assistance for Producers initiative](#).



December 2021 Lending Rates

The Farm Loan team in Michigan is already working on operating loans for spring 2022 and asks potential borrowers to submit your requests early so they can be timely processed.

FSA loans provide important access to capital to help agricultural producers start or expand their farming operation, purchase equipment and storage structures or meet cash flow needs.

Operating, Ownership and Emergency Loans

FSA offers farm ownership and operating loans with favorable interest rates and terms to help eligible agricultural producers, whether multi-generational, long-time or new to the industry, obtain financing needed to start, expand or maintain a family agricultural operation. FSA also offers emergency loans to help producers recover from production and physical losses due to drought, flooding, other natural disasters or quarantine. For many loan options, FSA sets aside funding for historically underserved producers, including veterans, beginning, women, American Indian or Alaskan Native, Asian, Black or African American, Native Hawaiian or Pacific Islander, and Hispanic farmers and ranchers.

Interest rates for Operating and Ownership loans for December 2021 are as follows:

- [Farm Operating Loans](#) (Direct): 2.000%
- [Farm Ownership Loans](#) (Direct): 3.000%



- [Farm Ownership Loans](#) (Direct, Joint Financing): 2.500%
- [Farm Ownership Loans](#) (Down Payment): 1.500%
- [Emergency Loan](#) (Amount of Actual Loss): 3.000%

FSA also offers guaranteed loans through commercial lenders at rates set by those lenders. You can find out which FSA loans may be right for you by using our [Farm Loan Discovery Tool](#).

Commodity and Storage Facility Loans

Additionally, FSA provides low-interest financing to producers to build or upgrade on-farm storage facilities and purchase handling equipment and loans that provide interim financing to help producers meet cash flow needs without having to sell their commodities when market prices are low. Funds for these loans are provided through the Commodity Credit Corporation (CCC) and are administered by FSA.

- [Commodity Loans](#) (less than one year disbursed): 1.125%
- [Farm Storage Facility Loans](#):
 - Three-year loan terms: 0.750%
 - Five-year loan terms: 1.125%
 - Seven-year loan terms: 1.500%
 - Ten-year loan terms: 1.625%
 - Twelve-year loan terms: 1.625%
- [Sugar Storage Facility Loans](#) (15 years): 1.875%

Pandemic and Disaster Support

Due to recent outbreaks of the COVID-19 Delta variant, USDA has extended the deadline for producers to apply for the COVID-19 Disaster Set-Aside (DSA) loan provision to Jan. 31, 2022. FSA will permit a second DSA for COVID-19 and a second DSA for natural disaster for those who had an initial COVID-19 DSA. Requests for a second DSA must be received no later than May 1, 2022.

More Information

Producers can explore available options on all FSA loan options at fsa.usda.gov or by contacting your [local USDA Service Center](#).

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