### January 2020





### Farm Service Agency Electronic News Service

## NEWSLETTER

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### Missouri FSA Newsletter

### Missouri Farm Service Agency

Parkade Center Suite 225 601 Bus. Loop 70 West Columbia, MO 65203

Phone: 573-876-0925 Fax: 855-830-0680

www.fsa.usda.gov/mo

### Acting State Executive Director:

Kim Viers

#### **State Committee:**

Julie Hurst - Chair Marc Allison Cindy Schroeder Will Spargo Barbara Wilson

To find contact information for your local office go to <a href="https://www.fsa.usda.gov/mo">www.fsa.usda.gov/mo</a>.

<u>Click here</u> for the Missouri Department of

# **USDA Announces Signup for Conservation Reserve Program**

USDA opened signup for the Conservation Reserve Program (CRP) on December 9, 2019. The deadline for agricultural producers to sign up for general CRP is February 28, 2020, while signup for continuous CRP is ongoing.

Farmers and ranchers who enroll in CRP receive a yearly rental payment for voluntarily establishing long-term, resource-conserving plant species, such as approved grasses or trees (known as "covers") to control soil erosion, improve water quality and develop wildlife habitat on marginally productive agricultural lands.

CRP has 22 million acres enrolled, but the 2018 Farm Bill lifted the cap to 27 million acres. This means farmers and ranchers have a chance to enroll in CRP for the first time or continue their participation for another term.

By enrolling in CRP, producers are improving water quality, reducing soil erosion, and restoring habitat for wildlife. This in turn spurs hunting, fishing, recreation, tourism, and other economic development across rural America.

### **CRP Enrollment Options**

General Signup

CRP general signup will be held annually. The competitive general signup will now include increased opportunities for enrollment of

Conservation Covey Headquarters newsletter.

wildlife habitat through the State Acres For Wildlife Enhancement (SAFE) initiative.

### Continuous Signup

While some practices under SAFE will remain available through continuous signup, CRP continuous signup will focus primarily on water quality with the Clean Lakes, Estuaries, and Rivers (CLEAR) Initiative. The 2018 Farm Bill prioritizes water quality practices such as contour grass strips, filter strips, riparian buffers, wetlands and a new prairie strip.

### Grasslands Signups

CRP Grasslands signup helps landowners and operators protect grassland, including rangeland, and pastureland and certain other lands while maintaining the areas as grazing lands. A separate CRP Grasslands signup will be offered each year following general signup.

#### Land Transition

The CRP Transition Incentives Program (TIP) is an option for producers interested in transitioning land to a beginning farmer or rancher or a member of a socially disadvantaged group to return land to production for sustainable grazing or crop production. CRP contract holders no longer need to be a retired or retiring owner or operator to transition their land. TIP participants may have a lease less than five years with an option to purchase, and they have two years before the end of the CRP contract to make conservation and land improvements. In order to be eligible, the lease or ownership change must start on October 1, immediately after the current CRP contract expires.

### **Previously Expired Land**

Land enrolled in CRP under a 15-year contract that expired in September 2017, 2018 or 2019, may be eligible for enrollment if there was no opportunity for re-enrollment and the practice under the expired contract has been maintained.

### **CRP Rates and Payments**

FSA recently posted updated soil rental rates for CRP. County average rates are posted on the <u>CRP Statistics webpage</u>. Soil rental rates are statutorily prorated at 90 percent for continuous signup and 85 percent for general signup. The rental rates will be assessed annually. Under continuous signup, producers also receive incentives, including a signup incentive payment and a practice incentive payment.

To enroll in CRP, contact your local FSA county office or visit <u>fsa.usda.gov/crp</u>. To locate your local FSA office, visit <u>farmers.gov/service-locator</u>.

# FSA Encourages Producers to Enroll Soon in Agriculture Risk Coverage and Price Loss Coverage Programs

Producers, Beat the Rush - Call Today to Make an Appointment

USDA's Farm Service Agency (FSA) encourages agricultural producers to enroll now in the Agriculture Risk Loss (ARC) and Price Loss Coverage (PLC) programs. March 15, 2020 is the enrollment deadline for the 2019 crop year.

Although more than 200,000 producers have enrolled to date, FSA anticipates 1.5 million producers will enroll for ARC and PLC. By enrolling soon, producers can beat the rush as the deadline nears.

FSA offices have multiple programs competing for the time and attention of our staff. Because of the importance and complexities of the ARC and PLC programs; and to ensure FSA meets your program delivery expectations, please do not wait to start the enrollment process. Call your FSA county office and make an appointment soon to ensure your elections are made and contracts signed well ahead of the deadlines.

ARC and PLC provide financial protections to farmers from substantial drops in crop prices or revenues and are vital economic safety nets for most American farms.

The programs cover the following commodities: barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium and short grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

Until March 15, producers who have not yet enrolled in ARC or PLC for 2019 can enroll for both 2019 and 2020 during the same visit to an FSA county office unless yield updates are requested. Additionally, farm owners have a one-time opportunity to update PLC payment yields that take effect beginning with crop year 2020. If the owner accompanies the producer to the office, the yield update and enrollments may be completed during the same office visit.

#### More Information

For more information on ARC and PLC, download our <u>program fact sheet</u> or our <u>2014-2018 farm bills comparison fact sheet</u>. Online ARC and PLC election decision tools are available at www.fsa.usda.gov/arc-plc. To enroll, contact your FSA county office for an appointment.

### Missouri Producers Encouraged to Participate in Upcoming Meetings Regarding Agriculture Risk Coverage (ARC), Price Loss Coverage (PLC), and Other 2018 Farm Bill Programs

The 2018 Farm Bill, enacted December 20, 2018, provides support, certainty, and stability to our nation's farmers, ranchers, and forest managers by enhancing farm support programs, improving crop insurance, maintaining disaster programs, and promoting and supporting voluntary conservation. While all of the programs administered through the Farm Service Agency (FSA) were reauthorized, most have modifications, including the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs.

To assist producers in learning more about these and other program changes, specialists from Missouri FSA and University of Missouri Extension will conduct a series of regional meetings, with the following dates announced:

- January 23, 2020; 1:00 3:30 p.m., Missouri Western State University, Spratt Building, Rooms 214/216, 4525 Downs Drive, St. Joseph, MO 64507
- February 4, 2020; 1:30 3:30 p.m., Centennial Hall, Vernon County Fairgrounds, 1488 E. Ashland St., Nevada, MO 64772

FSA staff and program specialists will be available to answer questions regarding the new programs. All producers are encouraged to contact their local FSA office with questions specific to their farm or ranch.

Persons with disabilities who require accommodations to attend or participate in these meetings should contact Jessica Claypole at 573-876-0935 or Federal Relay Service at 1-800-877-8339 at least three days prior to the event.

## Farm Service Agency Announces Disaster Relief Payments for Loss of On-Farm Stored Commodities in Missouri

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) in Missouri announced payments are now available to eligible producers who lost stored commodities due to natural disaster in 2018 and/or 2019. The On-Farm Storage Loss Program (OFSLP) was authorized by the Additional Supplemental Appropriations for Disaster Relief Act of 2019.

Administered by FSA, OFSLP provides payments to eligible producers who suffered uncompensated losses of harvested commodities including grains, oilseeds, and hay stored in onfarm structures. For producers to receive payment, the losses must be directly related to an eligible disaster event such as hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms, and wildfires that occurred during 2018 and/or 2019

To be eligible for OFSLP, the farm storage structure must be located on the farm, not used for commercial storage, and would have, under normal circumstances, maintained the quality of the commodity. Commodities stored in warehouses are not eligible for OFSLP. Programs payments are made for the loss of the stored commodity and not for the loss of the structure itself.

Commodities eligible for OFSL include: barley, canola, chickpeas (large & small), corn, cotton, crambe, dry peas, flaxseed, grain sorghum, hay (alfalfa and all-hay), lentils, mustard seed, oats, peanuts, rapeseed, rice, safflower seed, sesame seed, soybeans, sunflower seed and wheat.

FSA uses a national payment rate per commodity which is based on market or harvest prices. Payments will be calculated using a 75 percent factored FSA payment rate multiplied by the quantity lost while stored.

OFSLP has a payment limitation of \$125,000 per entity. Adjusted Gross Income (AGI) does not apply to OFSLP and an acreage report is not required for this program.

For specific commodity payment rates, to submit an application, or for additional program information, contact your local USDA Service Center. To find your local USDA Service Center, visit <a href="mailto:farmers.gov/service-locator">farmers.gov/service-locator</a>.

### **2020 Acreage Reporting Dates**

In order to comply with FSA program eligibility requirements, all producers are encouraged to visit their local FSA office to file an accurate crop certification report by the applicable deadline.

Acreage reporting dates vary by crop and by county so please contact your local FSA office for a list of county-specific deadlines.

The following exceptions apply to acreage reporting dates:

- If the crop has not been planted by the applicable acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is completed.
- If a producer acquires additional acreage after the applicable acreage reporting date, then the acreage must be reported no later than 30 calendars days after purchase or acquiring the lease. Appropriate documentation must be provided to the county office.
- If a perennial forage crop is reported with the intended use of "cover only," "green manure," "left standing," or "seed," then the acreage must be reported by July 15th.

Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP covered crops is the earlier of the applicable dates or 15 calendar days before grazing or harvesting of the crop begins. For questions regarding crop certification and crop loss reports, please contact your local FSA office.

## Wool and Unshorn Pelts Triggers Loan Deficiency Payment in Missouri

Producers of wool and unshorn pelts in Missouri may be eligible for loan deficiency payments (LDPs) from the U.S. Department of Agriculture (USDA) Farm Service Agency (FSA), which help producers under certain market conditions.

Marketing assistance loans (MALs) and LDPs are marketing tools available to producers beginning upon harvest or shearing. MALs help producers meet cash flow needs without selling commodities when market prices are at harvest-time lows.

Producers who are eligible for marketing loans, but choose to forgo the loan, are eligible for LDPs if the posted county price falls below the county loan rate. Producers also can purchase a commodity certificate that may be exchanged for the outstanding loan collateral. Producers can check their daily LDP rates online at <a href="mailto:fsa.usda.gov">fsa.usda.gov</a>.

LDPs are no longer subject to payment limitations, actively engaged in farming and cash-rent tenant rules.

### **Eligibility Requirements**

For a commodity to be eligible for a loan, LDP, or certificate, the producer must have beneficial interest in the commodity, defined as having title, possession and control of the commodity, and responsible for loss of or damage to the commodity. All related application forms must be completed at the local FSA office prior to loss of beneficial interest. Other eligibility requirements may apply; consult your local FSA office for more information.

Marketing assistance loans are available for the following commodities: wheat, corn, grain sorghum, barley, oats, upland cotton, extra-long staple cotton, long grain rice, medium grain rice, soybeans and other oilseeds (including sunflower seed, rapeseed, canola, safflower, flaxseed, mustard seed, crambe and sesame seed), dry peas, lentils, small chickpeas, large chickpeas, graded and non-graded wool, mohair, unshorn pelts, honey and peanuts.

#### More Information

For more information, visit <u>fsa.usda.gov/pricesupport</u>. To find your local USDA service center, visit <u>farmers.gov/service-locator</u>.

### **Guaranteed Loan Program**

FSA guaranteed loans allow lenders to provide agricultural credit to farmers who do not meet the lender's normal underwriting criteria. Farmers and ranchers apply for a guaranteed loan through a lender, and the lender arranges for the guarantee. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. Guaranteed loans can be used for both farm ownership and operating purposes.

Guaranteed farm ownership loans can be used to purchase farmland, construct or repair buildings, develop farmland to promote soil and water conservation or to refinance debt.

Guaranteed operating loans can be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance and other operating expenses.

FSA can guarantee farm ownership and operating loans up to \$1,776,000. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your lender or local FSA farm loan office for more information on guaranteed loans.

### **Interest Rates and Dates to Remember**

### **Selected Interest Rates for January 2020**

90-Day Treasury Bill	1.625%
Farm Operating Loans - Direct	2.625%
Farm Ownership Loans - Direct	3.250%
Farm Ownership Loans - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency Loans	3.625%
Farm Storage Facility Loans (3 years)	1.625%
Farm Storage Facility Loans (5 years)	1.625%
Farm Storage Facility Loans (7 years)	1.750%
Farm Storage Facility Loans (10 years)	1.875%
Farm Storage Facility Loans (12 years)	1.875%
Commodity Loans (1996-Present)	2.500%

### **Dates to Remember**

January 20, 2020	Birthday of Martin Luther King, Jr. FSA offices are closed.
January 31, 2020	Final availability date for 2019 Marketing Assistance Loans & LDPs for wool and unshorn pelts.
February 17, 2020	George Washington's Birthday. FSA offices are closed.
February 28, 2020	NAP application closing date for rice.
February 28, 2020	Signup deadline for General CRP.

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).