August 2015



- Message from the State Director
- Important Dates to Remember
- Enrollment for 2016 Dairy Margin Protection Program Underway
- Enrollment Period for ARC-PLC Underway
- Still Time to Report Your Crops at FSA
- Consider Risk Protection Coverage before Fall Crop Sales Deadlines
- Non-Insured Crop Disaster Assistance Program Deadlines
- New Conservation Incentives for Working Grass and Pasture Lands
- Other Conservation Reserve Program Signups
- USDA Offers Immediate Disaster Assistance to Farmers Impacted by Storms
- Direct Farm Operating and Ownership Loans

Wisconsin FSA Newsletter

Wisconsin Farm Service Agency

8030 Excelsior Drive Suite 100 Madison, WI 53717

www.fsa.usda.gov/wi

State Committee:

Bill Averbeck, Chair Patty Edelburg George Huber

State Executive Director:

Brad Pfaff

Division Chiefs:

Tom Brandt Russ Raeder Warren Hanson

Please contact your local FSA Office for questions specific to your operation or county.

Message from the State Director

Hello. It is my hope that this electronic newsletter finds you well. Overall, Spring planted crops around the state appear to be in fine condition. The mid-August rain that much of the state received was welcomed.

I draw your attention to three fast approaching deadlines that may be of interest to you. **August 28** is the deadline for eligible expiring Conservation Reserve Program (CRP) contracts to apply for a one year extension. **September 30** is the deadline for producers participating in the new Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs to enroll for 2014 and 2015. **September 30** is also the deadline for participants to sign-up for the Dairy Margin Protection Program (MPP-Dairy) for milk produced in 2016.

Thank you for your work. We at Wisconsin FSA welcome the opportunity to serve you. Please do not hesitate to contact me or a staff member in one of our local FSA offices if you have any questions.

Important Dates to Remember

August 28.......Deadline to request a one-year extension of eligible expiring CRP contracts.

September 2.....Application Deadline for 2015 NAP "Value Loss" Crops.

September 30....Deadline to enroll in the 2014-2015 ARC-PLC Programs.

September 30....Deadline for Dairy Producers in Margin Protection Program to sign up for 2016 coverage.

September 30....NAP Application Deadline for Perennial Forage, Fall and Spring Planted Grain, and Pasture Land Forage.

November 15....Deadline to Report all 2016 Crop Year Perennial Forages and Fall Seeded Grains/Crops to FSA.

November 20.....Deadline to apply for CRP Grassland Grazing Initiative.

November 20.....NAP Application Deadline for Perennial Fruit & other Perennial crops.

December 1......General sign up begins for CRP – Signup ends Feb. 26, 2016.

December 7......Official ballot for FSA committee elections (FSA-669) must be returned to County FSA Office or postmarked.

Ongoing......Continuous Conservation Reserve Program Enrollment.

IMPORTANT: Please call your local FSA office and set up an appointment before you visit!

Enrollment for 2016 Dairy Margin Protection Program Underway

Dairy farmers can now enroll in the Margin Protection Program for 2016 coverage. The voluntary program, provides financial assistance to participating dairy operations when the margin – the difference between the price of milk and feed costs – falls below the coverage level selected by the farmer. The Margin Protection Program gives participating dairy producers the flexibility to select coverage levels best suited for their operation each year.

Enrollment began on July 1 and ends on Sept. 30, 2015, for coverage in 2016. Participating farmers will remain in the program through 2018 and pay a \$100 administrative fee each year.

Margin Protection Program payments are based on an operation's historical production. An operation's historical production will increase by 2.61 percent in 2016 if the operation participated in 2015.

USDA has an online resource available to help dairy producers decide which level of coverage will provide them with the strongest safety net under a variety of conditions. The enhanced web tool, www.fsa.usda.gov/mpptool, allows dairy farmers to quickly and easily combine their unique operation data and other key variables to calculate their coverage needs based on price projections.

Dairy operations enrolling in the program must meet conservation compliance provisions. Producers participating in the Livestock Gross Margin Insurance Program may register for the Margin Protection Program, but this new margin program will only begin once their livestock dairy insurance coverage has ended. Producers must also submit form CCC-782 for 2016, confirming their Margin Protection Program coverage level selection, to the local Farm Service Agency (FSA) office. If electing higher coverage for 2016, dairy producers can either pay the premium in full at the time of enrollment or pay a minimum of 25 percent of the premium by Feb. 1, 2016.

For more information, visit FSA online at www.fsa.usda.gov/dairy or stop by a local FSA office to learn more about the Margin Protection Program. Watch for upcoming meetings being held by local FSA offices throughout the state at Wisconsin's FSA webpage: www.fsa.usda.gov/wi. Click on "WISCONSIN FARM BILL INFORMATIONAL MEETINGS."

Enrollment Period for ARC-PLC Underway

Eligible producers may now formally enroll in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for 2014 and 2015. The enrollment period began June 17, 2015, and will end on Sept. 30, 2015.

The new programs, established by the 2014 Farm Bill, trigger financial protections for agricultural producers when market forces cause substantial drops in crop prices or revenues. More than 1.76 million farmers have elected ARC or PLC, 600,000 more than had been enrolled in the previous program.

I thought I already signed up this spring??? Many producers don't realize that this past spring they only determined bases and yields and selected a program, ARC or PLC. Starting this year through 2018, producers need to enroll in the program annually at their local FSA office as was done with the prior DCP program. The deadline to enroll for the 2014-2015 program years is Sept. 30, 2015.

Producers should contact their local FSA office to set up an appointment to enroll farms for which they elected to participate through 2018 in ARC or PLC this past spring.

Still Time to Report Your Crops at FSA

<u>Spring Crops</u>: If you missed the July 15, 2015 deadline for timely filing a 2015 crop certification report for spring seeded crops, you can still do so by Sept. 30th with the possibility of having late filing fees waived. Late Fees will apply for producers with crop insurance, NAP policies or prevented planting. Timely filing crop reports is an FSA requirement and establishes eligibility for programs including: Marketing Assistance Loans (MAL), Loan Deficiency Payments (LDP), Conservation Reserve Program (CRP), Agriculture Risk Coverage (ARC) & Price Loss Coverage (PLC), and Noninsured Crop Disaster Assistance Program (NAP).

<u>Fall Reporting</u>: Nov. 15th is the deadline to report 2016 Perennial Forages and Fall Seeded Grains/Crops.

Consider Risk Protection Coverage before Fall Crop Sales Deadlines

Disaster Assistance is Available for Crops that are Ineligible for Federal Insurance

Farm Service Agency today encouraged producers to examine the available U.S. Department of Agriculture (USDA) crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the sales deadline for fall crops.

Deadlines are quickly approaching to purchase coverage for fall-seeded crops. Producers are reminded that crops not covered by insurance may be eligible for the Noninsured Crop Disaster Assistance Program. The 2014 Farm Bill expanded NAP to include higher levels of protection. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage, as well as discounted premiums for additional levels of protection.

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available, including forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

USDA has partnered with Michigan State University and the University of Illinois to create an online tool at www.fsa.usda.gov/nap that allows producers to determine whether their crops are eligible for federal crop insurance or NAP and to explore the best level of protection for their operation. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production, with higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price, including coverage for organics and crops marketed directly to consumers.

Deadlines for coverage vary by state and crop. To learn more about NAP visit www.fsa.usda.gov/nap or contact your local USDA Service Center. To find your local USDA Service Centers go to http://offices.usda.gov.

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at USDA's online Agent Locator: http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#. Producers can use the USDA Cost Estimator, https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx, to predict insurance premium costs.

Non-Insured Crop Disaster Assistance Program Deadlines

Producers interested in participating in the Farm Service Agency's (FSA) Non-Insured Crop Disaster Assistance Program (NAP) for crops where crop insurance is not available, need to be aware of the upcoming application deadlines that must be met for NAP qualification. NAP also offers buy-up coverage for the 2016 program year.

NAP was designed to reduce financial losses that occur when natural disasters cause catastrophic losses of production or prevented planting of eligible crop by providing coverage equivalent to catastrophic (CAT) insurance.

Application deadline dates for specific 2016 NAP qualifying crops are listed.

- The application deadline date for 2016 NAP coverage for "value loss" crops such as ginseng, turf grass sod, Christmas trees, aquaculture, floriculture, mushrooms, and ornamental nursery is Sept.1, 2015.
- The deadline date for perennial forage, including most fall and spring planted small grain forages and pasture land forages, not covered by federal crop insurance, is Sept. 30, 2015.
- Sept. 30, 2015 application closing date for winter/spring plantings of wheat, barley, rye, and mint.
- Perennial crop deadlines on fruit and other crops such as apples, pears, blueberries, strawberries, grapes, honey, maple sap, asparagus and other perennial fruits is Nov. 20, 2015.

Previously, the program offered coverage at 55% of the average market price for crop when losses exceeded 50% of the expected production. Producers can now choose higher levels of coverage of up to 65% of their expected production at 100% of the average market price. The cost of basic coverage (55% of price and 50% of expected production) is a \$250 service fee per crop. However, a producer never has to pay more than \$750 in service fees per county and no more than \$1875 if producing in three or more counties.

Buy-up coverage, which offers protection at 100% of the average market price for the crop, along with yield options for 50%, 55%, 60% and 65% of expected production is available for the \$250 service fee per crop plus 5.25% of the liability for the coverage. However, no producer has to pay more than \$6563 for buy-up coverage regardless how many crops are covered.

A waiver of the \$250 service fee and a 50% reduction in buy-up coverage is available for limited resource producers, beginning farmers and socially disadvantaged producers (which includes females).

Producers with NAP coverage must remember to timely file acreage reports and or inventories, and keep track of harvested production using acceptable methods. A "Notice of Loss" for non-hand harvested crops must be filed within 15 days of the disaster event when a loss is apparent due to drought, hail, flood, etc., to qualify for NAP. Notice of losses for hand harvested crops must be filed within 72 hour of the disaster or when the losses is apparent.

For more information on NAP coverage and crop specific acreage, inventory and production reporting deadlines, please contact your <u>nearest FSA County office</u>.

New Conservation Incentives for Working Grass and Pasture Lands

Beginning September 1, farmers can apply for financial assistance to help conserve working grasslands and pastureland while maintaining the areas for livestock grazing.

The initiative is part of the voluntary Conservation Reserve Program (CRP), a federally funded program that for 30 years has assisted agricultural producers with the cost of restoring, enhancing and protecting certain grasses, shrubs and trees to improve water quality, prevent soil erosion and reduce loss of wildlife habitat. In return, the U.S. Department of Agriculture (USDA) provides participants with rental payments and cost-share assistance.

The CRP-Grasslands initiative will provide participants who establish long-term, resource-conserving covers with annual rental payments up to 75 percent of the grazing value of the land. Cost-share assistance also is available for up to 50 percent of the covers and other practices, such as cross fencing to support rotational grazing or improving pasture cover to benefit pollinators or other wildlife. Participants may still conduct common grazing practices, produce hay, mow, or harvest for seed production, conduct fire rehabilitation, and construct firebreaks and fences.

FSA will accept applications on an ongoing basis beginning Sept. 1, 2015, with those applications scored against published ranking criteria, and approved based on the competiveness of the offer. The ranking period will occur at least once per year and be announced at least 30 days prior to its start. The end of the first ranking period will be Nov. 20, 2015.

To learn more about participating in CRP-Grasslands or SAFE, visit www.fsa.usda.gov/crp or consult with the local Farm Service Agency county office. To locate a nearby Farm Service Agency office, visit http://offices.usda.gov. To learn more about the 30th anniversary of CRP, visit www.fsa.usda.gov/CRPis30 or follow on Twitter using #CRPis30.

Other Conservation Reserve Program Signups

<u>One-Year Extensions</u>: Eligible existing program participants with Conservation Reserve Program (CRP) contracts expiring Sept. 30, 2015, may be granted an option from June 22 through August 28, 2015 to apply for one-year extensions if the fields still meet the cover requirements.

<u>General Signup</u>: FSA will accept new offers to participate in CRP under a general signup to be held Dec. 1, 2015, through Feb. 26, 2016. Farmers interested in removing sensitive land from agricultural production and planting grasses or trees to reduce soil erosion, improve water quality, and restore wildlife habitat are encouraged to enroll.

<u>Continuous CRP Signup</u>: Farmers should consider the various CRP continuous sign-up initiatives that may help target specific resource concerns. Financial assistance is offered for practices including conservation buffers and pollinator habitat plantings, and initiatives such as the highly erodible lands, bottomland hardwood trees, and longleaf pine. Signup is conducted year round.

USDA Offers Immediate Disaster Assistance to Farmers Impacted by Storms

Farm Service Agency (FSA) reminds Wisconsin farmers of federal farm program benefits that may be available to help eligible producers recover from heavy rains, flooding, and other adverse weather affecting their crops, conservation practices, farm buildings, or animals.

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

Livestock Indemnity Program (LIP) - offers payments to eligible producers for livestock death losses in excess of normal mortality due to adverse weather. Eligible losses may include those determined by

FSA to have been caused by hurricanes, floods, blizzards, wildfires, tropical storms, tornadoes, lightning, extreme heat, and extreme cold. Producers will be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event. They must submit a Notice of Loss to their local FSA office within 30 calendar days of noticing the loss of livestock.

Participants must provide the following supporting documentation to their local FSA office no later than 30 calendar days after the end of the calendar year for which benefits are requested:

- proof of death documentation;
- · copy of growers contracts;
- proof of normal mortality documentation.

Tree Assistance Program (TAP) – provides assistance to eligible orchardists and nursery tree growers for qualifying tree, shrub, and vine losses due to natural disaster. TAP applications must be submitted either 90 calendar days after the disaster event or the date when the loss is apparent. Eligible tree types include trees, bushes, or vines that produce an annual crop for commercial purposes. Nursery trees include ornamental, fruit, nut, and Christmas trees that are produced for commercial sale. Trees used for pulp or timber are ineligible.

To qualify for TAP, orchardists must suffer a qualifying tree, bush, or vine loss in excess of 15 percent mortality from an eligible natural disaster. If the TAP application is approved, the eligible trees, bushes, and vines must be replaced within 12 months from the date the application is approved.

Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) - provides emergency relief for losses due to feed or water shortages, qualified disease, adverse weather, or other conditions, which are not adequately addressed by other disaster programs. ELAP covers physically damaged or destroyed livestock feed that was purchased or mechanically harvested forage or feedstuffs intended for use as feed for the producer's eligible livestock. In order to be considered eligible, harvested forage must be baled; forage that is only cut, raked, or windrowed is not eligible. Producers must submit a Notice of Loss to their local FSA office within 30 calendar days of when the loss is apparent.

ELAP also covers lost grazing days in instances when a producer has been forced to remove livestock from a grazing pasture due to floodwaters.

For beekeepers, ELAP covers beehive losses (the physical structure) in instances where the hive has been destroyed by a natural disaster including flooding, high winds, and tornadoes, and covers colony losses due to adverse weather events or colony collapse disorder.

Aquaculture losses to bait and game fish may also be eligible for ELAP.

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 due to drought, and/or flooding.

Emergency Conservation Program (ECP) - provides emergency funding for farmers and ranchers to rehabilitate land severely damaged by natural disasters, including fence loss.

HayNet - is an internet-based hay and grazing net ad service allowing farmers to share 'Need Hay' ads and 'Have Hay' ads online. Farmers also can use another feature to post advertisements for grazing land, specifically ads announcing the availability of grazing land or ads requesting a need for land to graze. www.fsa.usda.gov/haynet.

Producers suffering significant losses due to storms should contact their local FSA office for details.

Direct Farm Operating and Ownership Loans

Direct Farm Operating and Ownership Loans: FSA offers direct farm ownership and direct farm operating loans to producers who want to establish, maintain, or strengthen their farm. FSA Farm Loan employees process, approve and service direct loans.

Direct farm operating loans can be used to purchase livestock and feed, farm equipment, fuel, farm chemicals, insurance and other costs including family living expenses. Operating loans can also be used to finance minor improvements or repairs to buildings and to refinance some farm-related debts, excluding real estate.

Direct farm ownership loans can be used to purchase farmland, enlarge an existing farm, construct and repair buildings, and to make farm improvements.

The maximum loan amount for both direct farm ownership and operating loans is \$300,000 and a down payment is not required. 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.

Microloans: Direct farm operating loans with a shortened application process and reduced paperwork designed to meet the needs of smaller, non-traditional, and niche type operations. Please review the <u>FSA Microloan Program Fact Sheet</u> for program application, eligibility, and related information.

Please contact your local FSA office for more information or to apply for a direct farm ownership or operating loan.

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 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 \$1,392,000. The Guarantee loan interest rate and payment terms are negotiated between the lender and the borrower within certain allowable benchmarks. 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.

USDA is an equal opportunity provider and employer. 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).