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Missouri FSA Newsletter

Missouri Farm Service Agency

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<u>Click here</u> for the Missouri Department of Conservation Covey Headquarters newsletter.

Deadline Approaches for Continuous Conservation Reserve Program Enrollment

Producers Must File by August 17, One-Year Extension Available to Holders of Many Expiring Contracts

The deadline to sign up for enrollment in the Conservation Reserve Program (CRP) is Friday, Aug. 17, 2018.

In return for enrolling land in CRP, FSA provides participants with annual rental payments and cost-share assistance to remove sensitive lands from production and plant certain grasses, shrubs and trees that improve water quality, prevent soil erosion and increase wildlife habitat. Landowners enter into contracts that last between 10 and 15 years.

For this year's signup, limited priority practices are available for continuous enrollment. These include grassed waterways, filter strips, riparian buffers, wetland restoration and others. <u>View a full list of practices.</u>

FSA will use <u>updated soil rental rates</u> to make annual rental payments, reflecting current values. It will not offer incentive payments as part of the new signup.

USDA will not open a general signup this year, however, a oneyear extension will be offered to existing CRP participants with expiring CRP contracts of 14 years or less. Additionally, FSA established new <u>ranking criteria</u> for CRP grasslands. To guarantee all CRP grasslands offers are treated equally, applicants who previously applied (prior to the current sign-up period) will be asked to reapply using the new ranking criteria.

Producers wanting to apply for the CRP continuous signup or CRP grasslands should contact their USDA service center. To locate your local FSA office, visit <u>https://www.farmers.gov</u>. More information on CRP can be found at <u>www.fsa.usda.gov/crp</u>.

USDA Offers Drought-Impacted Farmers and Ranchers Immediate Disaster Assistance

Missouri 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 may include:

- 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. 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.
- 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 2018 crops.
- 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.
- HayNet is an internet-based Hay and Grazing Net Ad Service allowing farmers and ranchers 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. <u>www.fsa.usda.gov/haynet</u>.

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).

Producers may submit information, including photos, about drought conditions in their area to the Missouri Extension Drought Impact Reporter at <u>arcg.is/1f95Pi</u>. A related resource is the U.S. Drought Monitor at <u>droughtmonitor.unl.edu</u>, a weekly map that shows the location and intensity of drought in the U.S. The map is based on measurements of climatic, hydrologic and soil conditions as well as reported impacts and observations from hundreds of contributors across the country, including people who contribute to the Drought Impact Reporter.

Additional drought-related information, including a link to the Missouri Department of Natural Resources Drought News, Conditions and Resources, is available on the <u>Missouri Farm Service</u> <u>Agency webpage</u>.

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

USDA Commodity Loans Available to Missouri Producers

U.S. Department of Agriculture (USDA) Missouri Farm Service Agency reminds producers that Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs) are available to help producers through periods of low market prices. The 2014 Farm Bill authorized MALs and LDPs for the 2014 to 2018 crop years.

MALs provide interim financing and allow producers to delay the sale of the commodity at harvesttime lows and wait until more favorable market conditions emerge. 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.

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, soybeans and other oilseeds, pulse crops, rice, peanuts, cotton, wool and honey.

County FSA offices across Missouri are now accepting requests for 2018 MALs and LDPs for all eligible commodities after harvest.

Before MAL repayments and LDP disbursements can be made, producers must meet the requirements of actively engaged in farming, cash-rent tenant and member contribution.

In order to meet eligibility requirements, producers must retain beneficial interest in the commodity, meaning they have control of the commodity or a title to the commodity, until the MAL is repaid or the Commodity Credit Corporation takes title to the commodity.

The 2014 Farm Bill also establishes payment limitations per individual or entity not to exceed \$125,000 annually on certain commodities for the following program benefits: Agriculture Risk Coverage and Price Loss Coverage payments, Marketing Loan Gains and LDPs. These payment limitations do not apply to MAL disbursements.

Producers or legal entities whose total applicable three-year average adjusted gross income exceeds \$900,000 are not eligible for Marketing Loan Gains and LDPs, but are eligible for MALs repaid at principal plus interest.

For more information, please visit your local FSA office or <u>www.fsa.usda.gov</u>. To find your local USDA service center, visit <u>www.farmers.gov</u>.

Payments to Deceased Producers

In order to claim a Farm Service Agency (FSA) payment on behalf of a deceased producer, all program conditions for the payment must have been met before the applicable producer's date of death.

If a producer earned a FSA payment prior to becoming deceased, the following is the order of precedence of the representatives of the producer:

- administrator or executor of the estate
- the surviving spouse
- surviving sons and daughters, including adopted children
- surviving father and mother
- surviving brothers and sisters
- heirs of the deceased person who would be entitled to payment according to the State law

In order for FSA to release the payment, the legal representative of the deceased producer must file a form FSA-325, to claim the payment for themselves or an estate. The county office will verify and determine that the application, contract, loan agreement, or other similar form requesting payment issuance, was signed by the applicable deadline for such form, by the deceased or a person legally authorized to act on their behalf at that time of application.

If the application, contract or loan agreement form was signed by someone other than the participant who is deceased, FSA will determine whether the person submitting the form has the legal authority to submit the form to compel FSA to pay the deceased participant.

Payments will be issued to the respective representative's name using the deceased program participant's tax identification number. Payments made to representatives are subject to offset regulations for debts owed by the deceased.

FSA is not responsible for advising persons in obtaining legal advice on how to obtain program benefits that may be due to a participant who has died, disappeared or who has been declared incompetent.

USDA Encourages Producers to Consider NAP Risk Protection Coverage before Crop Sales Deadlines

The Farm Service Agency encourages producers to examine available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the applicable crop sales deadline.

Producers are reminded that crops not covered by insurance may be eligible for NAP. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage.

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 perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

Producers can determine if crops are eligible for federal crop insurance or NAP by visiting https://webapp.rma.usda.gov/apps/ActuarialInformationBrowser2018/CropCriteria.aspx.

NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

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

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: <u>http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#</u>. Producers can use the USDA Cost Estimator, <u>https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx</u>, to predict insurance premium costs.

Disaster Set-Aside (DSA) Program

FSA borrowers with farms located in designated primary or contiguous disaster areas who are unable to make their scheduled FSA loan payments should consider the Disaster Set-Aside (DSA) program.

DSA is available to producers who suffered losses as a result of a natural disaster and is intended to relieve immediate and temporary financial stress. FSA is authorized to consider setting aside the portion of a payment/s needed for the operation to continue on a viable scale.

Borrowers must have at least two years left on the term of their loan in order to qualify.

Borrowers have eight months from the date of the disaster designation to submit a complete application. The application must include a written request for DSA signed by all parties liable for the debt along with production records and financial history for the operating year in which the disaster occurred. FSA may request additional information from the borrower in order to determine eligibility.

All farm loans must be current or less than 90 days past due at the time the DSA application is complete. Borrowers may not set aside more than one installment on each loan.

The amount set-aside, including interest accrued on the principal portion of the set-aside, is due on or before the final due date of the loan.

For more information, contact your local FSA farm loan office.

Interest Rates and Dates to Remember

Selected Interest Rates for August 2018	
90-Day Treasury Bill	1.875%
Farm Operating Loans — Direct	3.750%
Farm Ownership Loans — Direct	4.125%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency Loans	3.750%
Farm Storage Facility Loans (3 years)	2.625%
Farm Storage Facility Loans (5 years)	2.750%
Farm Storage Facility Loans (7 years)	2.875%
Farm Storage Facility Loans (10 years)	2.875%
Farm Storage Facility Loans (12 years)	2.875%
Commodity Loans 1996- Present	3.375%

Dates to Remember	
Sept. 1	Premium due for Margin Protection Program (MPP)- Dairy for 2018 coverage.
Sept. 1	NAP application closing date for greens, aquaculture, Christmas trees, ginseng root, turf grass sod, mushrooms & floriculture.
Sept. 3	Labor Day Holiday. FSA offices are closed.
Sept. 30	NAP application closing date for strawberries & fall- seeded small grains. (Since the 30 th falls on a weekend, applications will be accepted through Monday, October 1.)

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).