October 2020





Farm Service Agency Electronic News Service

NEWSLETTER

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Montana FSA: October 2020 Newsletter

All Montana 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 Farm Service Agency, 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, by mail, by email and using online tools. More information can be found at farmers.gov/coronavirus.

USDA Farm Service Agency - Montana

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Web: www.fsa.usda.gov/mt

State Executive Director:

Mike Foster

State Committee:

Carl Mattson, Chair (Chester) Chaley Harney (Billings) Liane Johnson (Cut Bank) Bob Lee (Judith Gap) Gene Curry (Valier)

Policy Reminders: 2020 Annual Notification to FSA Customers

To find contact information for your local office,

visit: www.farmers.gov.

Reasonable

Accommodations: Persons with disabilities who require accommodations to participate in FSA programs should contact the County Executive Director in the local FSA office or Jennifer Cole, FSA state civil rights coordinator, at 406.654.1333, ext. 117, or Federal Relay Service at 1-800-877-8339, or jennifer.cole@usda.gov.

From the State Executive Director

FSA offices across Montana are working on annual payments and assisting producers with program signups and paperwork as COVID cases continue to vary across the state from day to day and week to week. We urge FSA customers to continue to be patient with our offices as we strive for excellent customer service while maintaining the health and safety protections for our employees and customers.

We recently welcomed a new member of the Montana FSA State Committee. **Gene Curry**, cattle rancher from the Valier area, was appointed by the Trump Administration to serve the remainder of the term held previously by Bruce Tutvedt of Kalispell. Gene joins fellow state committee members - **Carl Mattson**, committee chairman from Chester, **Chaley Harney** of Billings, **Liane Johnson** of Cut Bank and **Bob Lee** of Judith Gap.

Last month, USDA announced the Coronavirus Food Assistance Program (CFAP) 2, which runs through Dec. 11. CFAP 2 is a separate program from the first round of the Coronavirus Food Assistance Program, now referred to as CFAP 1. For CFAP 1, Montana FSA administered more than \$176 million to 10,783 producers, including \$157 million to Montana livestock producers.

Farmers and ranchers who participated in CFAP 1 will not be automatically enrolled and must complete a new application for CFAP 2. You can learn more about this program and the digital options available to help you sign up in this newsletter.

CFAP 2 Eligible Commodities Finder

Many more commodities are eligible for CFAP 2 than CFAP 1. Interested in finding the Coronavirus Food Assistance Program 2 payment rates for the eligible commodities you grow or raise? Our new, easy-to-use <u>CFAP 2 Eligible Commodities Finder</u> makes finding payment rates specific to your operation simple. From yam to alpaca farmers – and everyone in between – the payment rate information you need is just a few clicks away. Try it today on your desktop, tablet, or mobile device.

Call Center

A call center is available for producers who would like additional one-on-one support with the CFAP 2 application process. Please call **877-508-8364** to speak directly with a USDA employee ready to offer assistance.

FSA offices across our great state look forward to serving you.

Stay Safe, Mike Foster

Attention Barley Producers: Coronavirus Food Assistance Program 1 Updated to Include All Barley - Call FSA Today

USDA's Farm Service Agency updated the Coronavirus Food Assistance Program 1 (CFAP 1) to include all barley as an eligible commodity. Previously, only malting barley was considered eligible for CFAP 1. Price risk as of January

15, 2020 is still a requirement for CFAP 1, so barley under contract with a set price as of January 15 remains ineligible. While signup closed in Montana for CFAP 1 on September 11, producers of barley still have options when it comes to applying for assistance.

If a producer submitted a CFAP 1 application for barley (other than malting), and the application was disapproved, the producer must submit a new CFAP application (AD-3114). Applications received after the September 11 deadline are subject to late-file provisions. This means the producer can still submit the CFAP 1 application along with a written explanation with reasons for the late filing to the local FSA county office for review and action for the local county committee.

For producers who submitted an application and was paid for CFAP 1, but also has barley (other than malting) that is now considered eligible, the producer does not need to submit a new application. Rather, the producer should contact their FSA county office to amend the application.

Producers can also sign up for the <u>Coronavirus Food Assistance Program 2</u> (CFAP 2) which also covers all barley. Price risk is not a requirement for CFAP 2.

For more information on CFAP 1, visit farmers.gov/cfap1.

Montana FSA Program Dates: Nov. 16th Reporting Deadline

Producers can contact their local FSA office to signup and with any questions.

Oct. 12: First day of 2021 Dairy Margin Coverage (DMC) Sign-up

Nov. 1: Last day of 2020 Conservation Reserve Program (CRP) Summer/Fall Non-Emergency Grazing Period (prior approval required)

Early November: 2020 County Committee Election Ballots to be Mailed to Voters

Nov. 16: 2021 Acreage Reporting Deadline for Apiculture, Fall Wheat (Hard Red Winter), and all other Fall-Seeded Small Grains. *Please note that this is the final date that FSA can accept late-filed 2020 reports for these crops.*

Nov. 20: Last day of CRP Soil Health and Income Protection Program (SHIPP) Pilot Signup Period

Dec. 7: Voted FSA County Committee Election Ballots due to FSA

Dec. 11: Last day of 2021 Dairy Margin Coverage (DMC) Signup

Dec. 11: Deadline to sign up for Coronavirus Food Assistance Program 2

Dec. 14: Deadline to sign up for the Seafood Trade Relief Program (STRP)

Dec. 31: 2021 NAP Coverage Application Closing Date for Honey

Jan. 2, 2021: 2021 Acreage Reporting Deadline for Honey covered under NAP (or 30 days after placement of colonies). *Please note that this is the final date that FSA can accept late-filed 2020 reports for these crops.*

Jan. 16: 2021 Acreage Reporting Deadline Established Stand Alfalfa Seed, Fall Alfalfa Seed and Cherries. *Please note that this is the final date that FSA can accept late-filed 2020 reports for these crops.*

Jan. 30: 2020 Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) Application for Payment Deadline for timely filed 2020 ELAP notices of losses

- **Feb. 1:** Final availability date for Marketing Assistance Loans and Loan Deficiency Payments (LDPs) for prior year harvested peanuts, wool, mohair and LDP only for unshorn pelts
- Feb. 1: Deadline for the 2020 Livestock Forage Disaster Program (LFP) Application and all supporting documentation
- **March 1:** Deadline for the 2020 Livestock Indemnity Program Application for Payment and all supporting documentation for timely filed 2020 LIP notices of livestock losses.

Ongoing FSA Notice of Loss Requirements

It's important for agricultural producers to report losses immediately as <u>disaster programs</u> are dependent on the timely reporting of the loss. A notice of loss can be filed with USDA Farm Service Agency via phone, email, fax or inperson office visit.

- ELAP Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program: Starting in 2020, producers will have 15 days from when the loss is first apparent, instead of 30 days, to file a honeybee notice of loss. This change provides consistency between ELAP and the Noninsured Crop Disaster Assistance Program, which also has a 15-day notice of loss period for honey. For other covered losses, including livestock feed, grazing and farm-raised fish losses, the notice of loss deadline for ELAP will remain 30 days from when the loss is first apparent to the producer.
- LIP Livestock Indemnity Program: Submit Notice of Loss within 30 calendar days of when the livestock
 loss is first apparent.
- NAP Noninsured Crop Disaster Assistance Program: Submit Notice of Loss within 15 calendar days of
 the earlier of a natural disaster occurrence, the final planting date if planting is prevented by a natural
 disaster, the date that damage to the crop or loss of production becomes apparent; or the normal harvest
 date. Note: A producer's signature is required on form CCC-576 when a Notice of Loss is submitted.
- **TAP Tree Assistance Program:** Final Date to Submit an Application and Supporting Documentation within 90 calendar days of: the disaster event or the date when the loss is apparent to the producer.

Coronavirus Food Assistance Program 2

Expansion of the Coronavirus Food Assistance Program Began Sept. 21; Ends Dec. 11

USDA announced up to an additional \$14 billion for agricultural producers who continue to face market disruptions and associated costs because of COVID-19. Signup for the Coronavirus Food Assistance Program (CFAP 2) began September 21 and run through December 11, 2020.

Background:

The U.S. Department of Agriculture will use funds being made available from the Commodity Credit Corporation (CCC) Charter Act and CARES Act to support row crops, livestock, specialty crops, dairy, aquaculture and many additional commodities. USDA has incorporated improvements in CFAP 2 based from stakeholder engagement and public feedback to better meet the needs of impacted farmers and ranchers.

Producers can apply for CFAP 2 at USDA's Farm Service Agency county offices. This program provides financial assistance that gives producers the ability to absorb increased marketing costs associated with the COVID-19 pandemic. Producers will be compensated for ongoing market disruptions and assisted with the associated marketing costs.

CFAP 2 payments will be made for three categories of commodities – Price Trigger Commodities, Flat-rate Crops and Sales Commodities.

Price Trigger Commodities Price trigger commodities are major commodities that meet a minimum 5-percent price decline over a specified period of time. Eligible price trigger crops include barley, corn, sorghum, soybeans,

sunflowers, upland cotton, and all classes of wheat. Payments will be based on 2020 planted acres of the crop, excluding prevented planting and experimental acres. Payments for price trigger crops will be the greater of: 1) the eligible acres multiplied by a payment rate of \$15 per acre; or 2) the eligible acres multiplied by a nationwide crop marketing percentage, multiplied by a crop-specific payment rate, and then by the producer's weighted 2020 Actual Production History (APH) approved yield. If the APH is not available, 85 percent of the 2019 Agriculture Risk Coverage-County Option (ARC-CO) benchmark yield for that crop will be used.

For broilers and eggs, payments will be based on 75 percent of the producers' 2019 production.

Dairy (cow's milk) payments will be based on actual milk production from April 1 to Aug. 31, 2020. The milk production for Sept. 1, 2020, to Dec. 31, 2020, will be estimated by FSA.

Eligible beef cattle, hogs and pigs, and lambs and sheep payments will be based on the maximum owned inventory of eligible livestock, excluding breeding stock, on a date selected by the producer, between Apr. 16, 2020, and Aug. 31, 2020.

Flat-rate Crops Crops that either do not meet the 5-percent price decline trigger or do not have data available to calculate a price change will have payments calculated based on eligible 2020 acres multiplied by \$15 per acre. These crops include alfalfa, extra long staple (ELS) cotton, oats, peanuts, rice, hemp, millet, mustard, safflower, sesame, triticale, rapeseed, and several others.

Sales Commodities Sales commodities include specialty crops; aquaculture; nursery crops and floriculture; other commodities not included in the price trigger and flat-rate categories, including tobacco; goat milk; mink (including pelts); mohair; wool; and other livestock (excluding breeding stock) not included under the price trigger category that were grown for food, fiber, fur, or feathers. Payment calculations will use a sales-based approach, where producers are paid based on five payment gradations associated with their 2019 sales.

Additional commodities are eligible in CFAP 2 that weren't eligible in the first iteration of the program. If your agricultural operation has been impacted by the pandemic since April 2020, we encourage you to apply for CFAP 2. A complete list of eligible commodities, payment rates and calculations can be found on farmers.gov/cfap.

Eligibility There is a payment limitation of \$250,000 per person or entity for all commodities combined. Applicants who are corporations, limited liability companies, limited partnerships may qualify for additional payment limits when members actively provide personal labor or personal management for the farming operation. In addition, this special payment limitation provision has been expanded to include trusts and estates for both CFAP 1 and 2.

Producers will also have to certify they meet the Adjusted Gross Income limitation of \$900,000 unless at least 75 percent or more of their income is derived from farming, ranching or forestry-related activities. Producers must also be in compliance with Highly Erodible Land and Wetland Conservation provisions.

Applying for Assistance Producers can apply for assistance beginning Sept. 21, 2020. Applications will be accepted through Dec. 11, 2020.

Additional information and application forms can be found at farmers.gov/cfap. Documentation to support the producer's application and certification may be requested. All other eligibility forms, such as those related to adjusted gross income and payment information, can be downloaded from farmers.gov/cfap/apply. For existing FSA customers, including those who participated in CFAP 1, many documents are likely already on file. Producers should check with FSA county office to see if any of the forms need to be updated.

Customers seeking one-on-one support with the CFAP 2 application process can call 877-508-8364 to speak directly with a USDA employee ready to offer assistance. This is a recommended first step before a producer engages with the team at the FSA county office.

2021 Acreage Reporting/Crop Certification: Nov. 16 Deadline for Apiculture, Fall Wheat (Hard Red Winter), and all other Fall-Seeded Small Grains

USDA's Farm Service Agency (FSA) reminds Montana producers to complete <u>crop acreage reports</u> by the applicable deadline.

The deadlines for 2021 acreage certification are:

- Nov. 16, 2020: Apiculture, Fall Wheat (Hard Red Winter), and all other Fall-Seeded Small Grains
- Jan. 2, 2021: Honey covered under NAP (or 30 days after placement of colonies)
- Jan. 16, 2021: Established Stand Alfalfa Seed, Fall Alfalfa Seed and Cherries
- **July 15, 2021:** Spring Seeded Alfalfa Seed, Forage Seeding, CRP, Perennial Forage not covered under NAP, and all other crops not required to be reported by a previous reporting date

In order to comply with FSA program eligibility requirements, all producers, including livestock producers, must file an accurate crop acreage report by the deadline. FSA staff is available to assist producers in completing acreage reports and providing maps.

Due to the pandemic, FSA has implemented acreage reporting flexibilities. FSA can work with producers to file timely acreage reports by phone, email, online tools and virtual meetings. Some FSA offices are open for in-person appointments, but you must call first to make an appointment.

FSA county offices in Montana provide maps to producers along with instructions for completing and returning the maps through either mail, email or through commercially available free and secure online tools such as Box for file sharing and OneSpan for eSignature solutions. After planting is complete, producers must return the signed form certifying their acreage report to the FSA office through mail, email or the Box and OneSpan tools by **Nov. 16.**

After completed maps and all acreage reporting information is received, FSA will make software updates and send producers the completed *Report of Acreage* form (FSA-578) to sign. Producers must return the signed form certifying their acreage report to the FSA office through mail, email, or Box by **Nov. 16.**

The following exceptions apply to the acreage reporting date:

- If the crop has not been planted by the acreage reporting date, the acreage must be reported no later than 15 calendar days after planting is completed.
- If a producer has not timely filed an acreage report, the producer may file the acreage report within 30 days of the acreage reporting date. Because of the pandemic, late fees will be waived if filed within the 30 days.

FSA is also providing additional flexibilities for producers to file on acres with failed crops or crops that were prevented from planting because of extreme weather events. For insured crops, producers who timely filed a prevented planted claim with the reinsurance company but filed a *Notice of Loss* (CCC-576) form after the deadline will be considered timely filed for FSA purposes. For uninsured crops, producers may start a *Notice of Loss* by calling their FSA county office.

Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP-covered crops is the earlier of the dates listed above or 15 calendar days before grazing or harvesting of the crop begins.

Reporting Organic Crops: Producers who selected the "organic" option on their NAP application must report the applicable crop as organic and provide a copy of their current organic plan and recent written certification in effect from a certifying agency. Please note that if you have applied for organic certification and do not receive it before the acreage reporting deadline, you may provide the necessary information to FSA immediately upon receipt.

For questions, please call your local FSA office. To locate it, visit farmers.gov/service-center-locator.

USDA Offers Secure New Options for Signing and Sharing Documents Online

Farmers and ranchers working with USDA's Farm Service Agency or Natural Resources Conservation Service can now sign and share documents online in just a few clicks. By using Box or OneSpan, producers can digitally complete business transactions without leaving their homes or agricultural operations. Both services are free, secure, and available for multiple FSA and NRCS programs.

Box is a secure, cloud-based site where FSA or NRCS documents can be managed and shared. Producers who choose to use Box can create a username and password to access their secure Box account, where documents can be downloaded, printed, manually signed, scanned, uploaded, and shared digitally with Service Center staff. This service is available to any FSA or NRCS customer with access to a mobile device or computer with printer connectivity.

OneSpan is a secure eSignature solution for FSA and NRCS customers. Like Box, no software downloads or eAuthentication is required for OneSpan. Instead, producers interested in eSignature through OneSpan can confirm their identity through two-factor authentication using a verification code sent to their mobile device or a personalized question and answer. Once identity is confirmed, documents can be reviewed and e-signed through OneSpan via the producer's personal email address. Signed documents immediately become available to the appropriate Service Center staff.

Box and OneSpan are both optional services for customers interested in improved efficiency in signing and sharing documents with USDA, and they do not replace existing systems using eAuthentication for digital signature. Instead, these tools provide additional digital options for producers to use when conducting business with FSA or NRCS.

USDA Service Center staff are available to help producers get started with Box and OneSpan through a few simple steps. Please visit <u>farmers.gov/service-locator</u> to find your local office and let Service Center staff know you're interested in signing and sharing documents through these new features. In most cases, one quick phone call will be all that is needed to initiate the process.

Visit <u>farmers.gov/mydocs</u> to learn more about Box and OneSpan, steps for getting started, and additional resources for conducting business with USDA online.

To learn more about program flexibilities and Service Center status during the coronavirus pandemic, visit <u>farmers.gov/coronavirus</u>.

FSA Wildfire Recovery Assistance

USDA's Farm Service Agency (FSA) offers disaster assistance and low-interest loan programs to assist Montana farmers and ranchers in your recovery efforts following wildfires or other 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 as well as injured livestock that were sold at a reduced price due to adverse
 weather.
- 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.
- **Emergency Conservation Program (ECP)** provides emergency funding for farmers and ranchers to rehabilitate land severely damaged by natural disasters; includes fence loss.
- 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 leased land or fire on federally-managed land.

- **Emergency Loan Program** available to producers with agriculture operations located in a county under a primary or contiguous Presidential or Secretarial disaster designation. These low interest loans help producers recover from production and physical losses.
- Emergency Forest Restoration Program (EFRP) provides payments to owners of non-industrial private forests to restore disaster damaged forests.
- Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of noninsurable crops when low yields, loss of inventory, or prevented planting occur due to natural disasters including excessive wind and qualifying drought (includes native grass for grazing).
- Tree Assistance Program (TAP) provides assistance to eligible orchardists and nursery tree growers for qualifying tree, shrub and vine losses due to natural disasters including excessive wind and qualifying drought.

USDA Disaster Recovery Assistance Brochure is available HERE.

For more information on these programs, contact your local FSA office or visit farmers.gov/recover.

Dairy Margin Coverage Program Enrollment for 2021 Opens Oct. 13

Enhancements to Online Dairy Decision Tool Now Available

The USDA will begin accepting applications for the <u>Dairy Margin Coverage</u> (DMC) program on Tuesday, October 13, 2020 for 2021 enrollment.

Signup runs through Dec. 11, 2020. 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. DMC payments triggered for seven months in 2019 and three months so far in 2020. More than 23,000 operations enrolled in DMC in 2019, and more than 13,000 in 2020.

To determine the appropriate level of coverage for a specific dairy operation, producers can utilize the recently updated online dairy decision tool. The <u>decision tool</u> is designed to assist producers with calculating total premium costs and administrative fees associated with participation in DMC. An <u>informational video</u> is available, too.

Improvements to the decision tool, made in cooperation with representatives from the University of Minnesota and University of Wisconsin, include historical analysis that illustrates what DMC indemnity payments might have been had the program been available over the previous two decades. The analysis indicates that over the course of time, DMC payments made to producers exceed premiums paid. These decision tool enhancements provide a more comprehensive decision support experience for producers considering DMC.

In addition to DMC, USDA offers a variety of programs that have helped dairy producers, including insurance, disaster assistance, and conservation programs. Most recently, the Coronavirus Food Assistance Program 1 provided \$1.75 billion in direct relief to dairy producers who faced price declines and additional marketing costs due to COVID-19 in early 2020. Now, signup is underway for the Coronavirus Food Assistance Program 2, which provides another round of assistance for dairy producers and many other eligible producers.

For more information, visit <u>farmers.gov DMC webpage</u>, or contact your local USDA Service Center. To locate your local FSA office, visit <u>farmers.gov/service-center-locator</u>.

2020 Livestock Forage Disaster Program Triggered in Powder River County

Producers in **Powder River County** are eligible to apply for 2020 Livestock Forage Disaster Program (LFP) benefits on small grain, native pasture, and/or improved pasture.

LFP provides compensation if you suffer grazing losses for covered livestock due to drought on privately owned or leased land or fire on federally managed land.

County committees can only accept LFP applications after notification is received by the National Office of qualifying drought or if a federal agency prohibits producers from grazing normal permitted livestock on federally managed lands due to qualifying fire. At this time, Powder River is the only Montana county that has met the drought criteria for LFP eligibility. You must complete a CCC-853 and submit the required supporting documentation no later than **Feb. 1. 2021**, for 2020 losses.

For additional information about LFP, including eligible livestock, contact the Powder River County USDA Service Center in Broadus at 406-436-2321, ext. 2 or visit fsa.usda.gov.

FSA Outlines MAL and LDP Policy

The 2018 Farm Bill extends loan authority through 2023 for Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs)

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, rice, peanuts, cotton, 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 2020 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 local service center or visit fsa.usda.gov.

FSA Distress Loans Available in Cascade, Chouteau and Liberty counties

USDA Farm Service Agency in Montana recently announced the availability of distress loans for crop producers in **Cascade, Chouteau and Liberty counties** for the 2020 harvest. FSA is offering the distress loan program because there is not enough storage available for the 2020 crop harvest in Cascade, Chouteau and Liberty counties.

There may be additional distress loans available in other counties with limited storage opportunities for the high production in other areas in the state. FSA will look at each request on a county-by-county basis.

Producers will be able to pledge their commodity as loan collateral to receive a 90-day distress loan on 75 percent of their eligible quantity. The only storage restrictions are that the commodity must be protected from animals and must be located so that water drainage will not seriously impact the quality or quantity of the crop.

Loan rates for distress loans are based on the county where the crop is stored. Distress loans mature not later than 90 days after the date the loan is disbursed and must be repaid at principal, plus interest. If a producer can find an approved storage facility within the 90-day distress loan period, the commodity can be transferred into a non-recourse loan, also called a Marketing Assistance Loan, for up to nine months including the time the commodity was placed in the distress loan. Loan requests must be completed and signed within 30 calendar days after the completion of the producer's harvest.

Producers can consider FSA's Farm Storage Facility Loan program for low-interest financing to build or upgrade farm storage and handling facilities. The maximum storage facility loan amount is \$500,000 per loan request. Loan terms are three, five, seven, 10 or 12 years depending on the amount of the loan. The October 2020 interest rate for a farm storage facility loan ranges from 0.125 to 0.750 percent, depending on the length of the loan.

To apply for distress loans or for questions on any FSA program contact the local FSA office. To locate an office near you or learn more about FSA programs, visit https://www.farmers.gov.

USDA Sign Up Deadline Nov. 20 for Conservation Pilot Program in Prairie Pothole Region

The U.S. Department of Agriculture is extending the deadline to November 20, 2020, for the Soil Health and Income Protection Program (SHIPP), a new pilot program that enables farmers to receive payments for planting perennial cover for conservation use for three to five years. Signup opened March 30, 2020, for the pilot program, which is part of the Conservation Reserve Program (CRP) and available to producers in Iowa, Minnesota, **Montana**, North Dakota, and South Dakota.

Through SHIPP, producers have the option of three-, four-, or five-year CRP contracts to establish perennial cover on less productive cropland in exchange for payments. This pilot enables producers to plant perennial cover that, among other benefits, will improve soil health and water quality while having the option to harvest, hay, and graze during certain times of the year. Up to 50,000 acres can be enrolled.

The SHIPP pilot is the latest option in a full suite of opportunities available to producers through CRP and other conservation programs offered by USDA. Farmers and ranchers are encouraged to talk to their FSA county office soon about whether this pilot fits their operation or consider another longer-term option such as the CRP General signup or CRP Continuous signup that is ongoing.

For more information about soil health and what you can do in Montana, please contact your local <u>USDA service</u> center.

USDA Offers Annual Installment Deferral Option for Farm Storage Facility Loan Borrowers

To assist Farm Storage Facility Loan (FSFL) borrowers experiencing financial hardship from the pandemic and other challenges in production agriculture, USDA's Farm Service Agency (FSA) is offering a one-time annual installment payment deferral option. No fees or prepayment penalties apply for borrowers who choose this FSFL loan flexibility option.

Eligible borrowers can request a one-time only annual installment payment deferral for loans having terms of three, five, seven or ten years. The installment deferral option is not available for 12-year term loans.

The FSFL installment payments will remain the same, except for the last year. The original loan interest rate and annual payment due date will remain the same. However, because the installment payment deferral is a one-year loan term extension, the final payment will be higher due to additional accrued interest.

Borrowers interested in exercising the one-time annual installment deferral option should contact FSA to make the request and to obtain, complete and sign required forms.

FSFLs provide low-interest financing for producers to store, handle and transport eligible commodities.

More Information

In addition to offering flexibilities for FSFLs, FSA has also made other flexibilities to help producers impacted by the pandemic, including relaxing the loan-making process for farm operating and ownership loans and implementing the Disaster Set-Aside provision that enables an upcoming installment on a direct loan to be set aside for the year. More information on these flexibilities can be found at farmers.gov/coronavirus.

For more information, contact your local USDA Service Center. To locate your local FSA office, visit farmers.gov/service-center-locator.

FSA Set-Aside Loan Provision for Customers Impacted by COVID-19

Set-Aside Delays Loan Payments for Borrowers

USDA's Farm Service Agency broadened the use of the Disaster Set-Aside (DSA) loan provision, normally used in the wake of natural disasters, to allow farmers and ranchers with USDA farm loans who are affected by COVID-19, and are determined eligible, to have their next payment set aside. In some cases, FSA may also set aside a second payment for farmers and ranchers who have already had one payment set aside because of a prior designated disaster.

FSA direct loan borrowers were sent a letter with the details of the expanded Disaster Set-Aside authorities, which includes the possible set-aside of annual operating loans, as well as explanations of the additional loan servicing options that are available. To discuss or request a loan payment Set-Aside, borrowers should call or email the farm loan staff at their local FSA county office.

The set-aside payment's due date is moved to the final maturity date of the loan or extended up to twelve months in the case of an annual operating loan. Any principal set-aside will continue to accrue interest until it is repaid. This aims to improve the borrower's cashflow in the current production cycle.

FSA previously announced it was relaxing the loan-making process and adding flexibilities for servicing direct and guaranteed loans to provide credit to producers in need. Direct loan applicants and borrowers are encouraged to contact their local FSA county office to discuss loan making and servicing flexibilities and other needs or concerns. Customers participating in FSA's guaranteed loan programs are encouraged to contact their lender. Information on these flexibilities, and office contact information, can be found on farmers.gov/coronavirus.

FSA will be accepting most forms and applications by facsimile or electronic signature. Some services are also available online to customers with an eAuth account, which provides access to the <u>farmers.gov</u> portal where producers can view USDA farm loan information and certain program applications and payments. Customers can track payments, report completed practices, request conservation assistance and electronically sign documents. Customers who do not already have an eAuth account can enroll at <u>farmers.gov/sign-in</u>.

USDA Supports U.S. Seafood Industry Impacted by Retaliatory Tariffs

U.S. Secretary of Agriculture Sonny Perdue announced that the U.S. Department of Agriculture (USDA) will provide approximately \$530 million to support the U.S. seafood industry and commercially licensed fishermen impacted by

retaliatory tariffs from foreign governments. The funding will be provided through the Seafood Trade Relief Program and funded through the Commodity Credit Corporation (CCC), administered by USDA's Farm Service Agency (FSA).

The Seafood Trade Relief Program funding will support the following seafood types:

- Atka mackerel
- Crab (Dungeness, King, Snow, Southern Tanner)
- Flounder
- Geoduck
- Goosefish
- Herrings
- Lobster
- Pacific Cod
- Pacific Ocean Perch
- Pollock
- Sablefish
- Salmon
- Sole
- Squid
- Tuna
- Turbot

Fishermen can sign-up for relief through the program from September 14, 2020 to December 14, 2020. Fishermen should apply through their local USDA Service Center. To find your local Service Center, visit www.farmers.gov/service-center-locator. The application can be found at www.farmers.gov/seafood.

Inform FSA Promptly of All Changes in Farming Operation and Contact Information

It is important to promptly report any changes in your farming operation to FSA. These changes can include, but are not limited to, changes in your address, phone, or email, name changes, changes to entity membership or shares, formation or dissolution of any entity (such as a trust, partnership, LLC, LLP or corporation) that owns or operates land or owns other farming assets used in your operation, sale or purchase of land, adding or dropping leases, and any changes to financing or equipment. Participants in FSA and NRCS programs are required to timely report changes in their farming operation to their local FSA office in writing and update their CCC-902 Farm Operating Plan with necessary changes, as applicable. Failure to timely notify your local FSA office may result in ineligibility for program benefits, or delays in issuance of program payments. If you have any updates or corrections to your records, please call your local FSA office to update your records.

New to Farming Because of the Pandemic? USDA Can Help!

USDA has several programs and services to help you start farming

Are you new to farming because of the pandemic? USDA can help you get started – everything from helping you register your farm to getting financial assistance and advice. Our team members, based at USDA Service Centers across the country, are hearing from people who are interested in more space and working the land, and we want to let you know we can help.

Get Started with USDA

First, you want to make sure your farm is registered. If you purchased land, it might already be established with USDA's Farm Service Agency (FSA) with a farm number on file. If not, FSA can help you register your farm.

To obtain a farm number, you'll bring an official tax ID (Social Security number or an employer ID) and a property deed. If you do not own the land, bring a lease agreement to show you have control of the property to your FSA

representative. If your operation is incorporated or an entity, you may also need to provide proof that you have signature authority and the legal ability to enter contracts with USDA.

Access to Capital

USDA can provide access to capital through its farm loans, which is a great resource when producers aren't able to get a loan from a traditional lender. Loans can help with purchasing land or equipment or with operating costs, and FSA even offers microloans, which are especially popular among producers with smaller farms. For more information, check out our Farm Loan Discovery Tool.

Conservation Practices

We can help you make conservation improvements to your farm, which are good for your bottom line and your operation. We'll help you develop a conservation plan as well as apply for financial assistance that'll cover the bulk of the costs for implementing. To learn more about some of the conservation practices that we help producers with, check out our Conservation at Work Video Series.

If you purchase land, and you don't want to farm all of it, you can look at either a conservation easement or managing for native shrubs and grasses through either the Agricultural Conservation Easement Program or Conservation Reserve Program (CRP). Easements are long-term, while a CRP contract is 10-15 years. These are good options for lands with land that is not optimal for production or sensitive lands like wetlands and grasslands.

Additional Resources

Depending on your farm, you may want to look at crop insurance. The USDA's Risk Management Agency provides crop insurance to help you manage risks on your farm. There are <u>many types of insurance products available</u> for a wide variety of production practices, including organic and sustainable agriculture.

Your local communities also have great resources for farmers including conservation districts, Rural Development, cooperative extensions, and different farming groups. To get started with USDA, contact your local USDA service center.

FSA Reminds Producers of Ongoing Disaster Assistance Program Signup

The USDA has started making payments through the <u>Wildfire and Hurricane Indemnity Program – Plus (WHIP+)</u> to agricultural producers who suffered eligible losses because of drought or excess moisture in 2018 and 2019. Signup for these causes of loss opened March 23, and producers who suffered losses from drought (in counties designated D3 or above), excess moisture, hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms or wildfires can still apply for assistance through WHIP+.

To be eligible for WHIP+, producers must have suffered losses of certain crops, trees, bushes or vines in counties with a Presidential Emergency Disaster Declaration or a Secretarial Disaster Designation (primary counties only) for qualifying natural disaster events that occurred in calendar years 2018 or 2019. Also, losses located in a county not designated by the Secretary as a primary county may be eligible if a producer provides documentation showing that the loss was due to a qualifying natural disaster event.

For losses due to drought, a producer is eligible if any area of the county in which the loss occurred was rated D3, or extreme drought, or higher on the U.S. Drought Monitor during calendar years 2018 or 2019. Producers who suffered losses should contact their FSA county office.

In addition to the recently added eligible losses of drought and excess moisture, FSA will implement a WHIP+ provision for crop quality loss that resulted in price deductions or penalties when marketing crops damaged by eligible disaster events. To ensure an effective program for all impacted farmers, the Agency is currently gathering information on the extent of quality loss from producers and stakeholder organizations.

Emergency Loans Available in Montana Disaster Areas

FSA's Emergency Loan Program is available for agricultural producers in counties designated as primary or contiguous natural disaster areas. See map below of current Disaster Designations in Montana. Contact your local FSA office for specific designations in your area and time frames to apply. Eligible producers have **eight months** from the date of the disaster designation to apply for low-interest emergency loans to 1.) restore or replace essential property; 2.) pay all or part of production costs associated with the disaster year; 3.) pay essential family living expenses; or 4.) refinance certain debts, excluding real estate. **Producers interested in applying for an emergency loan, or other FLP loans, should contact their local FSA office to set up an appointment with the Farm Loan Program staff serving your area.**

Current Disaster Designations in Montana - (by county) Emergency Loans Website

USDA Accepting Applications to Help Cover Costs for Organic Certification

USDA's Farm Service Agency announced that organic producers and handlers can apply for federal funds to assist with the cost of receiving and maintaining organic certification through the <u>Organic Certification Cost Share Program (OCCSP)</u>. Applications for eligible certification expenses paid between Oct. 1, 2019, and Sept. 30, 2020, are due Oct. 31, 2020.

OCCSP provides cost-share assistance to producers and handlers of agricultural products for the costs of obtaining or maintaining organic certification under the USDA's National Organic Program. Eligible producers include any certified producers or handlers who have paid organic certification fees to a USDA-accredited certifying agent. Eligible expenses for cost-share reimbursement include application fees, inspection costs, fees related to equivalency agreement and arrangement requirements, travel expenses for inspectors, user fees, sales assessments and postage.

Changes in Reimbursement

Due to expected participation levels for fiscal year 2020, FSA revised the reimbursement amount through fiscal year 2023. Certified producers and handlers are now eligible to receive reimbursement for up to 50 percent of the certified organic operation's eligible expenses, up to a maximum of \$500 per scope.

This change is due to the limited amount of funding available and will allow a larger number of certified organic operations to receive assistance. If additional funding is authorized later, FSA may provide additional assistance to certified operations that have applied for OCCSP, not to exceed 75 percent of their eligible costs, up to \$750 per scope.

The changes to the payment calculation and maximum payment amount are applicable to all certified organic operations, regardless of whether they apply through an FSA county office or a participating state agency. State agencies that are interested in overseeing reimbursements to producers and handlers in their states must establish new agreements with FSA for fiscal 2020.

More Information

To learn more about organic certification cost share, please visit the <u>OCCSP webpage</u>, view the <u>notice of funds availability on the Federal Register</u>, or contact the <u>FSA county office</u> at your local USDA Service Center. To learn more about USDA support for organic agriculture, visit usda.gov/organic.

Montana Farm and Ranch Stress Resource Clearinghouse

Montana State University Extension and an associated statewide advisory council have developed an online clearinghouse of resources for a wide range of topics related to stress and mental health. The clearinghouse was

created specifically for ag producers and their families, but it contains a wealth of information for anyone interested in learning more about causes of stress, stress prevention and management, and overall mental health. To access the site, please click on this link: https://msuextension.org/wellness/stress-management/mt farm stress clearing house/

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).