November 2020



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Farm Service Agency Electronic News Service



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Montana FSA: November 2020 News

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

P.O. Box 670 Bozeman, MT 59771

Phone: 406.587.6872 Fax: 855.546.0264 Web: <u>www.fsa.usda.gov/mt</u>

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: <u>www.farmers.gov</u>.

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

Greetings from Montana FSA! Producers with Apiculture, Fall Wheat (Hard Red Winter), and all other Fall-Seeded Small Grains who have not yet certified this acreage should contact FSA right away to meet the **Nov. 16** reporting deadline. **Nov. 20** is the last day to signup for the Conservation Reserve Program (CRP) Soil Health and Income Protection Program (SHIPP) Pilot.

Signup for the Coronavirus Food Assistance Program (CFAP) 2 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. Montana farmers and ranchers can learn more about CFAP 2 in this newsletter, <u>farmers.gov/cfap</u> or the local FSA office. You can call **877-508-8364** to speak directly with a USDA employee ready to offer assistance. As of early November, FSA paid out more than \$172 million in CFAP 1 payments and \$172 million in CFAP 2 payments in Montana.

Active COVID cases continue to fluctuate from day to day across the state. We ask for continued patience with FSA offices as we strive for excellent customer service while maintaining the health and safety of our employees and customers.

Stay Safe, Mike Foster

2020 County Committee Elections

Voting for USDA Farm Service Agency's (FSA) County Committee 2020 elections begins this week with FSA ballots being mailed to eligible Montana producers.

It is important that every eligible producer participate in these elections because FSA county committees are a link between the agricultural community and the USDA. The 2020 election will be conducted for the representative for Local Administrative Areas. County committee members are a critical component of FSA operations. Committees should be comprised of members who reflect the diversity of producers involved in production agriculture.

County committee election ballots will be mailed to eligible voters on Nov. 2, 2020. The last day to return completed ballots to the USDA service center is Dec. 7, 2020. For more information on eligibility to serve on FSA county committees, visit: <u>fsa.usda.gov/elections.</u>

Producers in Montana to Report 2019 Fall-Seeded Small Grains for Coronavirus Food Assistance Program 2 Eligibility

Producers of fall-seeded small grains, such as wheat, barley and oats, who have not yet filed an acreage report for crops planted in the fall of 2019, must report their acreage in order to be eligible for the <u>Coronavirus Food Assistance Program 2</u> (CFAP 2). While the original deadline in Montana was Nov., 15, 2019, FSA is accepting late-filed reports for CFAP 2 enrollment purposes until **Nov. 16, 2020.**

Producers who are applying for a CFAP 2 payment on an eligible row crop must file a report of all acreage for the crop on FSA-578, Report of Acreage. If the producer is filing the FSA-578 for CFAP 2 purposes only, there will be no late-file fee or farm inspection.

Learn more about eligible crops and payment calculations at farmers.gov/cfap. Contact your local Farm Service Agency office to make an appointment to apply for CFAP 2 or call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

More than \$7 Billion Paid in Second Round of USDA Coronavirus Food Assistance Program

USDA announced that in the first month of the application period, the Farm Service Agency (FSA) approved more than \$7 billion in payments to producers in the second round of the Coronavirus Food Assistance Program. CFAP 2 provides agricultural producers with financial assistance to help absorb some of the increased marketing costs associated with the COVID-19 pandemic.

Since CFAP 2 enrollment began on September 21, FSA has approved more than 443,000 applications. The top five states for payments are Iowa, Nebraska, Minnesota, Illinois and Kansas. USDA has released a <u>data dashboard</u> on application progress and program payments and will release further updates each Monday at 2:00 p.m. ET. The report can be viewed at <u>farmers.gov/cfap</u>.

Through CFAP 2, USDA is making available up to \$14 billion for agricultural producers who continue to face market disruptions and associated costs because of COVID-19. CFAP 2 is a separate program from the first iteration of CFAP (CFAP 1). Farmers and ranchers who participated in CFAP 1 will not be automatically enrolled and must complete a new application for CFAP 2. FSA will accept CFAP 2 applications through December 11, 2020.

Eligible Commodities

CFAP 2 supports eligible producers of row crops, livestock, specialty crops, dairy, aquaculture, and many other commodities, including many that were ineligible for CFAP 1. FSA's <u>CFAP 2 Eligible Commodities Finder</u> makes finding eligible commodities and payment rates simple. Access this tool and other resources at <u>farmers.gov/cfap</u>.

Getting Help from FSA

New 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 general assistance. This is a recommended first step before a producer engages the team at the FSA county office at their local USDA Service Center.

FSA offers multiple options for producers to apply for CFAP 2. Producers with an eAuthentication account can apply online through the CFAP 2 Application Portal. Also available is a payment calculator and application generator that is an Excel workbook that allows producers to input information specific to their operation to determine estimated payments and populate the application form, which can be printed, signed, and submitted to the local FSA office. Producers can also download the CFAP 2 application and other eligibility forms from farmers.gov/cfap.

Producers of acreage-based commodities will use acreage and yield information provided by FSA through the annual acreage reporting process. Producers have the option to complete their application by working directly with their local FSA staff or online through the CFAP 2 Application Portal.

CFAP 2 is not a loan program, and there is no cost to apply.

More Information

To find the latest information on CFAP 2, visit <u>farmers.gov/CFAP</u> or call 877-508-8364.

Montana FSA Program Deadlines

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

This Week: 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.

March 15: Deadline for 2021 ARC-PLC Election and Enrollment

March 15: 2021 NAP Coverage Application Closing Date for all Spring Crops except Spring-Seeded Canola, Rye, Speltz, Triticale, Wheat and Mixed Forage

March 31: Final availability date for Loans and LDPs for prior year harvested Wheat, Barley, Canola, Crambe, Flaxseed, Honey, Oats, Rapeseed, and Sesame Seed

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 in-person 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.

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.

Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAPcovered 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 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 USDA service center.

Enrollment Underway for Agriculture Risk Coverage and Price Loss Coverage Programs for 2021

More than \$5 Billion in Payments Now Issuing to Producers Enrolled for 2019

Agricultural producers can now make elections and enroll in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2021 crop year. The signup period opened Tuesday, Oct. 13. These key U.S. Department of Agriculture (USDA) safety-net programs help producers weather fluctuations in either revenue or price for certain crops, and more than \$5 billion in payments are in the process of going out to producers who signed up for the 2019 crop year.

Enrollment for the 2021 crop year closes March 15, 2021.

ARC provides income support payments on historical base acres when actual crop revenue declines below a specified guaranteed level. PLC provides income support payments on historical base acres when the effective price for a covered commodity falls below its reference price.

Covered commodities include 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.

2021 Elections and Enrollment

Producers can elect coverage and enroll in crop-by-crop ARC-County or PLC, or ARC-Individual for the entire farm, for the 2021 crop year. Although election changes for 2021 are optional, enrollment (signed contract) is required for each year of the program. If a producer has a multi-year contract on the farm and makes an election change for 2021, it will be necessary to sign a new contract.

If an election is not submitted by the deadline of March 15, 2021, the election defaults to the current election for crops on the farm from the prior crop year.

For crop years 2022 and 2023, producers will have an opportunity to make new elections during those signups. Farm owners cannot enroll in either program unless they have a share interest in the farm.

2019 Crop Year ARC and PLC Payments

FSA began processing payments last week for 2019 ARC-County (ARC-CO) and PLC on covered commodities that met payment triggers on farms enrolled for the 2019 crop year. In addition to the \$5 billion now in process, FSA anticipates it will issue additional payments by the end of November for 2019 commodities covered under ARC-Individual (ARC-IC) and additional commodities that trigger PLC and ARC-CO payments for which rates have not yet been published

Producers who had 2019 covered commodities enrolled in ARC-CO can visit the <u>ARC and PLC webpage</u> for payment rates applicable to their county and each covered commodity. For farms and covered commodities enrolled in 2019 PLC, the following crops met payment triggers: barley, canola, chickpeas (small and large), corn, dry peas, grain sorghum, lentils, peanuts, seed cotton and wheat.

Oats and soybeans did not meet 2019 PLC payment triggers.

2019 PLC payment rates for the following covered commodities have not been determined: crambe, flaxseed, long and medium grain rice, mustard seed, rapeseed, safflower, sesame seed, sunflower seed and temperate Japonica rice. Payment rates for these commodities will be announced at a later date.

Web-Based Decision Tools

In partnership with USDA, the University of Illinois and Texas A&M University offer web-based decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. Tools include:

- <u>Gardner-farmdoc Payment Calculator</u>, the University of Illinois tool that offers farmers the ability to run payment estimate modeling for their farms and counties for ARC-County and PLC.
- <u>ARC and PLC Decision Tool</u>, the Texas A&M tool allows producers to analyze payment yield updates and expected payments for 2021. Producers who have used the tool in the past should see their username and much of their farm data already available in the system.

More Information

For more information on ARC and PLC, including two online decision tools that assist producers in making enrollment and election decisions specific to their operations, visit the <u>ARC and PLC webpage</u>.

For additional questions and assistance, contact your local USDA service center. To locate your local FSA office, visit <u>farmers.gov/service-locator</u>.

USDA Issues CRP Payments

USDA Issues \$1.68 Billion in Payments to Producers Enrolled in the Conservation Reserve Program

The U.S. Department of Agriculture is issuing \$1.68 billion in payments to agricultural producers and landowners for the 21.9 million acres enrolled in the Conservation Reserve Program (CRP), which provides annual rental payments for land devoted to conservation purposes.

Through CRP, farmers and ranchers establish long-term, resource-conserving plant species, such as approved grasses or trees, to control soil erosion, improve water quality, and enhance wildlife habitat on cropland. Farmers and ranchers who participate in CRP help provide numerous benefits to the nation's environment and economy.

Signed into law in 1985, CRP is one of the largest private-lands conservation programs in the United States. It was originally intended to primarily control soil erosion and potentially stabilize commodity prices by taking marginal lands out of production. The program has evolved over the years, providing many conservation and economic benefits. The program marks its 35-year anniversary this December. Program successes include:

• Preventing more than 9 billion tons of soil from eroding, which is enough soil to fill 600 million dump trucks;

- Reducing nitrogen and phosphorous runoff relative to annually tilled cropland by 95 and 85 percent, respectively;
- Sequestering an annual average of 49 million tons of greenhouse gases, equal to taking 9 million cars off the road;
- Creating more than 3 million acres of restored wetlands while protecting more than 175,000 stream miles with riparian forest and grass buffers, which is enough to go around the world seven times; and
- Benefiting bees and other pollinators and increasing populations of ducks, pheasants, turkey, bobwhite quail, prairie chickens, grasshopper sparrows, and many other birds.

The successes of CRP contribute to USDA's <u>Agriculture Innovation Agenda</u> and its goal of reducing the environmental footprint of U.S. agriculture by half by 2050. Earlier this year, Secretary Perdue announced the department-wide initiative to align resources, programs, and research to position American agriculture to better meet future global demands.

CRP participants with contracts effective beginning on October 1, 2020, will receive their first annual rental payment in October 2021.

For more information on CRP, visit <u>fsa.usda.gov</u> or contact your <u>local FSA county office</u>.

Reminder to FSA Direct and Guaranteed Borrowers with Real Estate Security

Farm Service Agency would like to remind farm loan borrowers who have pledged real estate as security for their loans, of key items for maintaining loan collateral. It is required that borrowers must obtain prior consent, or approval, by either FSA, for direct loans, or by a guaranteed lender, for any transaction affecting real estate security. Examples of these transactions include, but are not limited to:

- Leases of any kind;
- Easements of any kind;
- Subordinations;
- Partial releases, and
- Sales

Failure to meet or follow the requirements set forth in the loan agreement, promissory note, and other security instruments could lead to nonmonetary default which could jeopardize your current and future loans.

It is critical that borrowers keep an open line of communication with their FSA loan staff or guaranteed lender when it comes to changes in their operation. For more information on borrower responsibilities, read <u>Your FSA Farm Loan</u> <u>Compass</u>.

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: Now through Dec. 11, 2020

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 <u>fsa.usda.gov</u>.

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 <u>CCC-633EZ</u>, 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 <u>fsa.usda.gov</u>.

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 <u>https://www.farmers.gov</u>.

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 <u>farmers.gov/coronavirus</u>.

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

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 <u>farmers.gov/coronavirus</u>.

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 <u>www.farmers.gov/service-center-locator</u>. The application can be found at <u>www.farmers.gov/seafood</u>.

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.

Direct Loans

FSA offers direct farm ownership and direct farm operating Loans to producers who want to establish, maintain or strengthen their farm or ranch. FSA loan officers 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 direct farm ownership loans is \$600,000 and the maximum loan amount for direct operating loans is \$400,000 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.

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 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 \$1,750,000. 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.

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 <u>Farm Loan Program staff serving your area</u>.**

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

NRCS Sets Conservation Program Funding Application Cutoff for November 17

The USDA Natural Resources Conservation Service (NRCS) in Montana has set a **November 17, 2020, a**pplication cutoff for agricultural operators to be considered for the next conservation program funding cycle. The cutoff date applies to the Environmental Quality Incentives Program (EQIP), Conservation Stewardship Program-Classic (CSP), and the Regional Conservation Partnership Program (RCPP-EQIP).

In addition to CSP, conservation funding is available for the following initiatives through EQIP.

- **Castle Mountains Restoration Project:** This partnership project uses thinning and other forestland management practices to reduce potential fuel loads, improve forest and rangeland health in the Willow Creek Watershed, water source for White Sulphur Springs.
- **High Tunnel Systems:** These systems extend the growing seasons for high value crops in an environmentally safe manner. High tunnel benefits include better plant and soil quality and fewer nutrients and pesticides in the environment.
- **Honey Bee Pollinators**: Combats future honey bee declines by implementing conservation practices that provide forage for honey bees while enhancing habitat for other pollinators and wildlife.
- **National On-Farm Energy Initiative:** Agricultural producers work with NRCS-approved technical service providers to develop agricultural energy management plans or farm energy audits that assess energy consumption on an operation. NRCS may also provide assistance to implement recommended measures identified in the energy audit through the use of conservation practice standards.
- **National Organic Initiative**: Producers currently certified as organic, transitioning to organic, or National Organic Program exempt will have access to a broad set of conservation practices to assist in treating their resource concerns while fulfilling many of the requirements in an Organic System Plan.
- **National Water Quality Initiative:** Producers implement conservation systems to reduce nitrogen, phosphorous, sediment and pathogen contributions from agricultural land in the Lower Gallatin Watershed (Camp and Godfrey Creeks).
- Sage Grouse Initiative: Landowners can work with NRCS on three different components to improve sagegrouse habitat. One is a general category to implement prescribed grazing management practices. The others are to seed cropland back to perennial species to improve the connectivity for sage-grouse that depend on large, intact landscapes and the removal of conifers to increase nest success rates.
- Wildfire Adapted Missoula: A partnership project that addresses shared wildfire risk by mitigating current wildfire hazards surrounding the Missoula community via prescribed fire and thinning maintenance.
- Targeted Implementation Plans: Montana NRCS targets its investments in very specific areas to achieve clearly
 defined natural resource goals as identified by local partners. This approach harnesses the power of multiple
 landowners in one area undertaking similar conservation projects to achieve a regional or landscape-scale result.
- **Regional Conservation Partnership Program (RCPP-EQIP):** The <u>RCPP-EQIP</u> under Farm Bill 2014 promotes coordination of NRCS conservation activities with partners that offer value-added contributions to expand our collective ability to address on-farm, watershed, and regional natural resource concerns.

The <u>Environmental Quality Incentives Program (EQIP)</u> offers financial and technical assistance to eligible participants to install or implement structural and management practices on eligible agricultural land. In Montana, socially disadvantaged, limited resource, and beginning farmers and ranchers will receive a higher payment rate for eligible conservation practices applied.

The <u>Conservation Stewardship Program (CSP)</u> is for working lands. For farmers, ranchers, and forestland owners already taking steps to improve the condition of the land, CSP can help find new ways to meet resource and operation goals.

NRCS accepts conservation program applications year-round; however, applications for the next funding consideration must be submitted by November 17, 2020. Applications made after the cutoff will be considered in the next funding cycle. Additional information is available on the Montana NRCS website at www.mt.nrcs.usda.gov under the Programs tab or by contacting your local USDA service center.

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: <u>https://msuextension.org/wellness/stress-management/mt_farm_stress_clearing_house/</u>

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).