January 2020





Farm Service Agency Electronic News Service

NEWSLETTER

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Wisconsin FSA Newsletter

Wisconsin Farm Service Agency

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A Message from the SED

Dear Friends:

Now is the time to make your decision about whether you will use ARC or PLC for your operation in 2019 and 2020. ARC/PLC is a major piece of the FSA safety net for commodity crops, so it deserves your attention. Please read through the quick tips below, all designed to help make this as easy a process for you as possible. To be eligible for any potential ARC/PLC payment for 2019, you must enroll before the March 16 deadline.

Wisconsin FSA has tens of thousands of you to assist before March 16, and we are doing our very best to manage our office traffic. We are asking that you do not delay in making an appointment. If you have an appointment now, please do your best to keep it. If you need an appointment, call or email your county office now!

We're also in the middle of the first general signup for the Conservation Reserve Program since 2016, and many of our offices are seeing high interest in CRP. The general signup is now an annual competitive opportunity for producers to enroll, and it ends this year on February 28. Read more about the CRP signup in the article below.

2020 Wisconsin Farm Service Agency GovDelivery Newsletter

On behalf of our Wisconsin FSA employees, thanks for the opportunity to be of assistance. We look forward to seeing many of you within the next few weeks.

Sandy Chalmers
State Executive Director

Dates to Remember

January 30, 2020: Deadline for producers to file an application for payment and provide supporting documentation for 2019 <u>Emergency Livestock Assistance Program</u> (ELAP) losses.

February 1, 2020: Acreage Reporting Deadline for 2020 maple sap

February 17, 2020: USDA Service Centers Closed

February 28, 2020: Deadline to sign up for <u>General Conservation Reserve Program (CRP).</u> (Continuous CRP is ongoing.)

March 1, 2020: Deadline for producers to file and application for payment and provide supporting documentation for 2019 Livestock Indemnity Program (LIP) losses.

March 16, 2020: Signup deadline for 2019 Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC)

March 16, 2020: Non-insured Crop Disaster Assistance Program (NAP) Application deadline to purchase loss coverage for 2020 spring-seeded crops

March 31, 2020: Final day to obtain Marketing Assistance Loan on 2019 crop small grains

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Producers Encouraged to Enroll Now in ARC/PLC

USDA's Farm Service Agency (FSA) encourages agricultural producers to enroll now in the Agriculture Risk Loss (ARC) and Price Loss Coverage (PLC) programs. March 16, 2020 is the enrollment deadline for the 2019 crop year.

FSA anticipates 1.5 million producers will enroll for ARC and PLC. By enrolling soon, producers can beat the rush as the deadline nears.

Producers are encouraged to follow the following steps to complete their ARC/PLC program elections:

- 1. Schedule an appointment with your <u>local office</u> now; many producers will be scheduling appointments between now and the March 16, 2020 deadline. If you already have an appointment scheduled and aren't able to make it, please contact the office as soon as you can to reschedule.
- 2. Research the three different program options: ARC-Individual, ARC-County, and PLC. The <u>University of Wisconsin</u>, <u>Division of Extension created a website</u> with links to calculators, videos, articles and, materials from other Universities that can help you research your options. Paul Mitchell with the University of Wisconsin-Madison Agriculture and Applied Economics posted <u>a blog with valuable information</u> for Wisconsin producers.

Producers Encouraged to Enroll Now in ARC/PLC (continued)

In addition to resources provided by the UW, additional resources are available to help you make decisions that are best for your operation. The Agricultural and Food Policy Center (AFPC) at Texas A&M University, in conjunction with

the Food and Agricultural Policy Institute (FAPRI) at the University of Missouri, have developed an online tool. Additionally, the National Coalition for Producer Education (NCPE), led by the University of Illinois, has a tool available. Both can be found at www.fsa.usda.gov/arc-plc.

- 3. Know what farms you operated in 2019 and what farms you will be operating in 2020. ARC/PLC contracts are enrolled by farm number; make the most of your visit and ensure that all eligible farms are enrolled to avoid follow-up trips to the office.
- 4. Share your program election choices with FSA. Contracts are loaded in the computer system and printed farm-by-farm. If you have multiple farms, plan accordingly for your appointment.
- 5. Complete your 2019 program election and sign up by March 16, 2020. Producers who have not yet enrolled in ARC or PLC for 2019 can enroll for both 2019 and 2020 during the same visit to an FSA county office. Additionally, farm owners have a one-time opportunity to update PLC payment yields that take effect beginning with crop year 2020. If the owner accompanies the producer to the office, the yield update and enrollments may be completed during the same office visit.

To be eligible for payments, producers must annually enroll before the deadline.

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

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Sign Up Now for Conservation Reserve Program

USDA has now opened signup for the Conservation Reserve Program (CRP). The deadline for agricultural producers to sign up for general CRP is February 28, 2020, while signup for continuous CRP and the Conservation Reserve Enhancement Program (CREP) is ongoing.

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

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

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

CRP Enrollment Options

General Signup

CRP general signup will be held annually. The competitive general signup will now include increased opportunities for enrollment of wildlife habitat through the State Acres For Wildlife Enhancement (SAFE) initiative.

Sign Up Now for Conservation Reserve Program (continued)

Continuous Signup

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

USDA will also be working with Conservation Reserve Enhancement Program (CREP) partners to relaunch CREP continuous options in each state under new statutory provisions. CREP will continue to target high-priority local, state or regional conservation concerns.

Grasslands Signups

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

Pilot Programs

Later in 2020, (FSA will roll out pilot programs within CRP: CLEAR 30, which allows contracts expiring with CLEAR practices to be reenrolled in 30-year contracts and in the Soil Health and Income Protection Program (SHIPP) in the prairie pothole region. More information on these programs will be announced in the new year.

Land Transition

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

Previously Expired Land

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

CRP Rates and Payments

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

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

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Reporting Livestock Losses

The Livestock Indemnity Program (LIP) provides assistance to eligible producers for livestock deaths in excess of normal mortality caused by adverse weather, disease and attacks by animals reintroduced into the wild by the federal government or protected by federal law.

LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to hurricanes, floods, blizzards, wildfires, extreme heat or extreme cold.

For disease losses, FSA county committees can accept veterinarian certifications that livestock deaths were directly related to adverse weather and unpreventable through good animal husbandry and management.

For 2019, and subsequent years livestock losses, eligible livestock owners must file a notice within 30 calendar days of when the loss is first apparent.

An owner's livestock must have either died in excess of normal mortality as a direct result of an eligible loss condition within 30 days of the eligible loss condition or been injured as a direct result of an eligible loss condition and were subsequently sold for a reduced price within 30 days of the event.

Participants must provide the following supporting documentation to their local FSA office no later than 60 calendar days after the end of the calendar year in which the eligible loss condition occurred.

- Proof of death documentation
- Copy of grower's contracts
- Proof of normal mortality documentation

USDA has established normal mortality rates for each type and weight range of eligible livestock, i.e. Adult Beef Cow = 1.5% and Non-Adult Beef Cattle (less than 400 pounds) = 3%. These established percentages reflect losses that are considered expected or typical under "normal" conditions.

In addition to filing a notice of loss, producers must also submit an application for payment by March 1, 2020.

Additional Information about LIP is available at your local FSA office or online at: www.fsa.usda.gov.

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Private Landowners Play a Vital Role in Caring for Wetlands

Did you know that Wisconsin has lost half of its wetlands?

Of the 5 million acres that remain, 75% are in private ownership, giving landowners a vital role in caring for wetlands. Private landowners also own most of the land that used to be wetland and could be restored. As much as 85% of Wisconsin's potentially restorable wetland acreage is in private ownership.

If you are a landowner who owns wetlands or land you think may have been wetlands, the USDA Natural Resources Conservation Service (NRCS) and the Wisconsin Wetlands Association can help you care for and restore your land.

The USDA-NRCS offers several programs that can help private landowners care for their land. The Agricultural Conservation Easement Program is one, and it includes Wetland Reserve Easements (which used to be called the Wetlands Reserve Program). Through Wetland Reserve Easements, NRCS provides technical and financial assistance directly to private landowners to restore, protect and enhance wetlands. Wetland Reserve Easements offer an opportunity for landowners to receive financial incentives to restore wetlands that have been drained for agriculture. Learn more. Contact your local USDA Service Center (**) to get started.

Private Landowners Play a Vital Role in Caring for Wetlands (continued)

The Wisconsin Wetlands Association (WWA) provides guidance and connects landowners with the information and support needed to care for wetlands. Start with the *My Healthy Wetland* handbook for wetland landowners. Use the resources pages to connect with other information and resources. Learn more.

Watch our Videos

Hear from three different families who have restored their wetlands in partnership with NRCS and WWA. Also, learn more about how these two partners can help you restore your wetlands.

- Partnering for Wetlands
- Wetlands Build Wildlife Habitat
- Wetlands Create Community Resiliency

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Higher Limits Now Available on USDA Farm Loans

Higher limits are now available for borrowers interested in USDA's farm loans, which help agricultural producers purchase farms or cover operating expenses. The 2018 Farm Bill increased the amount that producers can borrow through direct and guaranteed loans available through USDA's Farm Service Agency (FSA) and made changes to other loans, such as microloans and emergency loans.

Key changes include:

- The Direct Operating Loan limit increased from \$300,000 to \$400,000, and the Guaranteed Operating Loan limit increased from \$ 1.429 million to \$1.776 million. Operating loans help producers pay for normal operating expenses, including machinery and equipment, seed, livestock feed, and more.
- The Direct Farm Ownership Loan limit increased from \$300,000 to \$600,000, and the Guaranteed Farm Ownership Loan limit increased from \$1.429 million to \$1.776 million. Farm ownership loans help producers become owner-operators of family farms as well as improve and expand current operations.
- Producers can now receive both a \$50,000 Farm Ownership Microloan and a \$50,000 Operating Microloan. Previously, microloans were limited to a combined \$50,000. Microloans provide flexible access to credit for small, beginning, niche, and non-traditional farm operations.
- Producers who previously received debt forgiveness as part of an approved FSA restructuring plan are now
 eligible to apply for emergency loans. Previously, these producers were ineligible.
- Beginning and socially disadvantaged producers can now receive up to a 95 percent guarantee against the loss of principal and interest on a loan, up from 90 percent.

About Farm Loans

Direct farm loans, which include microloans and emergency loans, are financed and serviced by FSA, while guaranteed farm loans are financed and serviced by commercial lenders. For guaranteed loans, FSA provides a guarantee against possible financial loss of principal and interest.

For more information on FSA farm loans, visit www.fsa.usda.gov or contact your local USDA service center.

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USDA Swine Small Enterprise Study

From July 2020 through January 2021, the U.S. Department of Agriculture's (USDA) National Animal Health Monitoring System (NAHMS), in collaboration with the USDA's National Agricultural Statistics Service (NASS), will conduct its third national study of U.S. small enterprise swine operations.

Wisconsin producers are included in this study that will take an in-depth look at small enterprise swine operations (fewer than 1,000 pigs) and provide new information regarding animal health and management practices used on these operations, as well as the alternative marketing strategies they implement.

Approximately 5,000 swine operations from 38 states will be asked to participate in the study. These states account for about 95 percent of U.S. swine operations with fewer than 1,000 pigs.

Participation in any NAHMS study is voluntary. In June 2020, selected producers will be mailed a letter describing the study and be provided with a questionnaire to complete and return. Producers who don't respond to the questionnaire will be called by a NASS representative to arrange a convenient time to complete the questionnaire via a telephone interview.

The privacy of every questionnaire participant is protected. Data will only be presented in an aggregate or summary manner.

For more information, please contact Charles Haley at 970-494-7216 or charles.a.haley@aphis.usda.gov.

January Interest Rates

*Interest rates are announced at the beginning of each month.

Farm Loan Interest Rates	JANUARY 2020
Farm Operating- Direct	2.625%
Farm Operating- Microloan	2.625%
Farm Ownership- Direct	3.250%
Farm Ownership- Microloan	3.250%
Farm Ownership- Direct, Joint Financing	2.500%
Farm Ownership- Down Payment	1.500%
Emergency Loan- Amount of Actual Loss	3.625%

Farm Storage Facility Loans (FSFL)	JANUARY 2020
3-year FSFL	1.625%
5-year FSFL	1.625%
7-year FSFL	1.750%
10-year FSFL	1.875%
12-year FSFL	1.875%

9-Month Commodity Loans	JANUARY 2020
Marketing Assistance Loan	2.500%

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).