September 2020





Farm Service Agency Electronic News Service

NEWSLETTER

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Having trouble viewing this email? View it as a Web page.

- A Message from the SED
- Dates to Remember
- Coronavirus Food Assistance Program for Wisconsin Producers Deadline Approaching
- FSA Announces Loan Maturity for Marketing Assistance Loans Now Extended to 12 Months
- FSA Implements Set-Aside Loan Provision for Customers Impacted by COVID-19
- USDA Offers Annual Installment Deferral Option for Farm Storage Facility Loan Borrowers
- FSA Can Help with On-Farm Propane Storage
- FSA Reminds Producers of Ongoing Disaster Assistance Program Signup
- Farmers Help America Keep Soil Healthy

Wisconsin FSA Newsletter

Wisconsin Farm Service A Message from the SED Agency

8030 Excelsior Dr.

Suite 100

Madison, WI 53717

Phone: 608-662-4422 Fax: 855-758-0755

State Executive Director:

Sandy Chalmers

Farm Loan Chief:

Tom Brandt

Dear Producers and Landowners,

Your Wisconsin Farm Service Agency offices are open for business, and we are continuing to deliver program signups and loan servicing on behalf of our producers. Several offices are scheduling in-person appointments, and others provide assistance by phone or email. To check on the status of your local office, visit farmers.gov/coronavirus/service-center-status or call your office for an appointment or information.

We are nearing the September 11 finish line for the Coronavirus Food Assistance Program (CFAP). This program assists producers who experienced a price decline of at least five percent from

Farm Program Chiefs:

Greg Biba John Palmer

State Committee:

Lisa Condon, Chair Thomas Gillis David Heideman Tom McClellan

www.fsa.usda.gov/wi

January 15 to April 15 or faced significant marketing costs due to COVID.

Here in Wisconsin, producers impacted by COVID have received \$510 million in assistance, and Wisconsin leads the nation in assistance on milk production. CFAP was recently expanded to additional commodities, including maple sap, nursery, aquaculture, cut flowers, and all sheep. This is a program with a broad reach, and we have applications from producers of more than 50 different commodities, including potatoes, apples, and dozens of specialty crops. If you have not wrapped up your application, please do so now before the September 11 deadline slips by.

In October, FSA will begin signup for 2021 Dairy Margin Coverage. Dairy markets continue to be volatile, to say the least, so now is the time to be thinking about your risk management strategies for 2021 and how you can use Dairy Margin Coverage.

We're watching the drought monitor closely, as dry conditions expand across the state. Your friends at FSA wish you timely rains in just the right amount.

Sandy Chalmers

BACK TO TOP

Dates to Remember

September 7, 2020: Labor Day, USDA Service Centers are closed.

September 11, 2020: Deadline to submit application for <u>Coronavirus Food Assistance Program</u> (CFAP)

September 30, 2020: <u>Noninsured Crop Disaster Assistance Program</u> (NAP) deadline for alfalfa, barley, clover, grass, mixed forage, oats, rye, sugarcane, and wheat and all value loss crops such as flowers, Christmas trees, fin fish, mushrooms, ginseng, and turf grass sod.

November 15, 2020: Acreage reporting deadline for 2021 fall mint and fall-seeded small grains.

BACK TO TOP

Coronavirus Food Assistance Program for Wisconsin Producers - Deadline Approaching

Wisconsin is home to over 64,700 agricultural operations. At USDA, we know that these farms, and our farmers, have been impacted by the coronavirus pandemic. We're here to provide support

through a range of programs and services, including the Coronavirus Food Assistance Program, or CFAP.

CFAP provides direct relief to producers who faced price declines and additional marketing costs due to COVID-19. Whether you produce dairy products or potatoes, or one of the many other commodities that provide for our state and nation, you may be eligible for CFAP. And, whether you've worked with Farm Service Agency for years or you're a new customer, we're here to make sure the application process is as simple for you as possible.

Getting started is easy. First, visit the pages below to check eligibility for the commodities you grow or raise. Next, visit <u>farmers.gov/cfap</u> for multiple options to apply by the September 11 deadline.

CFAP for Non-Specialty Crop Producers

CFAP for Livestock Producers

CFAP for Specialty Crop Producers

CFAP for Dairy Producers

CFAP for Wool Producers

CFAP for Aquaculture Producers

CFAP for Egg Producers

CFAP for Nursery Crop Producers

Your local USDA Service Center staff are always available to help, or we offer a call center at 877-508-8364 for producers interested in one-on-one assistance with the application.

Farmers support our nation, and we are here to support our farmers. Visit <u>farmers.gov/cfap</u> to learn more about this program, and don't forget to submit your application by September 11.

BACK TO TOP

FSA Announces Loan Maturity for Marketing Assistance Loans Now Extended to 12 Months

Agricultural producers now have more time to repay Marketing Assistance Loans (MAL) as part of the U.S. Department of Agriculture's implementation of the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020. The loans now mature at 12 months rather than nine, and this flexibility is available for most commodities.

The maturity extension applies to nonrecourse loans for crop years 2018, 2019 and 2020. Eligible open loans must be in good standing with a maturity date of March 31, 2020, or later or new crop year (2019 or 2020) loans requested by September 30, 2020. All new loans requested by September 30, 2020, will have a maturity date 12 months following the date of approval.

The maturity extension for current, active loans will be automatically extended an additional three months. Loans that matured March 31 have already been automatically extended by USDA's Farm Service Agency (FSA). Producers who prefer a nine-month loan will need to contact their local FSA county office. Loans requested after September 30, 2020, will have a nine-month term.

Eligible commodities include barley, chickpeas (small and large), corn, cotton (upland and extralong staple), dry peas, grain sorghum, honey, lentils, mohair, oats, peanuts, rice (long and medium grain), soybeans, unshorn pelts, wheat, wool (graded and nongraded); and other oilseeds, including

canola, crambe, flaxseed, mustard seed, rapeseed, safflower, sunflower seed, and sesame seed. Seed cotton and sugar are not eligible.

For more information on MALs, visit www.fsa.usda.gov.

BACK TO TOP

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

USDA's Farm Service Agency (FSA) will broaden the use of the Disaster Set-Aside (DSA) loan provision, normally used in the wake of natural disasters, to allow farmers 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 who have already had one payment set aside because of a prior designated disaster.

FSA direct loan borrowers will receive 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 farmers.gov 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 farmers.gov/sign-in.

USDA Service Centers are open for business by phone appointment only, and field work will continue with appropriate social distancing. While program delivery staff will continue to come into the office, they will be working with producers by phone and using online tools whenever possible. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service or any other Service Center agency are required to call their Service Center to schedule a phone appointment. More information can be found at farmers.gov/coronavirus.

BACK TO TOP

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.

All 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 FSA, 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 prescreen 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 and using online tools. More information 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.

BACK TO TOP

FSA Can Help with On-Farm Propane Storage

Winter months in Wisconsin can be long and cold, and for several years, farmers have faced propane storage shortages. FSA's <u>Farm Storage Facility Loan</u> (FSFL) program provides funding for on-farm liquified petroleum tanks.

FSFL low-interest financing can be used to build or upgrade storage facilities and to purchase portable (new or used) structures, equipment, storage and handling trucks. Liquified petroleum tanks are covered for eligible commodities for the use of fuel for grain dryer equipment.

Loans up to \$50,000 can be secured by a promissory note/security agreement, while loans exceeding \$100,000 require additional security.

You do not need to demonstrate the lack of commercial credit availability to apply. The loans are designed to assist a diverse range of farming operations, including conventional operations, small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

To learn more about FSFLs and how these loans can help with your on-site propane tank storage needs, contact your local USDA Service Center or visit <u>fsa.usda.gov.</u>

BACK TO TOP

FSA Reminds Producers of Ongoing Disaster Assistance Program Signup

The U.S. Department of Agriculture (USDA) has started making payments through the Wildfire and Hurricane Indemnity Program – Plus (WHIP+) 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.

USDA Service Centers, including FSA county offices, are open for business by phone only, and field work will continue with appropriate social distancing. While program delivery staff will continue to come into the office, they will be working with producers by phone and using online tools whenever possible. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service or any other Service Center agency are required to call their Service Center to schedule a phone appointment. More information on Service Centers can be

found at <u>farmers.gov/coronavirus</u>, and more information on WHIP+ can be found at <u>farmers.gov/whip-plus.</u>

BACK TO TOP

Farmers Help America Keep Soil Healthy

Our lives are dependent on healthy soil. Healthy soil gives us clean air and water, bountiful crops and forests, productive grazing lands, diverse wildlife and beautiful landscapes. It's the reason why USDA's Natural Resources Conservation Service experts are in your community and across the nation.

Soil is composed of air, water, organic matter and minerals. A community of organisms – functioning as a soil food web – lives all or parts of their lives in soil. More individual organisms are in a teaspoon of soil than there are people on earth. Increasing soil organic matter typically improves soil health, since organic matter improves several critical functions of soil.

To improve the health of their soil, more and more farmers and ranchers are keeping soil covered, reducing disturbance activities such as tilling, keeping plants growing throughout the year, and diversifying the crops they're planting in a rotation. Taking these steps allow farmers and ranchers to help reduce erosion while increasing the soil's ability to provide nutrients and water to the plant at critical times during the growing season.

When producers focus on improving soil health, they often have larger harvests, lower input costs, optimized nutrient use, and improved crop resilience during drought years like last year. In heavy rainfall years, healthy soil holds more water, reducing runoff that helps avert flooding downstream.

And because healthy soil allows for greater water infiltration and less erosion, nutrients and pesticides stay on the farm where they benefit crops, and are far less likely to be carried off the farm into streams and lakes where they can cause harm.

NRCS helps farmers install conservation practices such as cover crops to maintain and improve soil health – all of which can lead to productive, profitable and sustainable farming and ranching operations for generations to come.

For more information visit nrcs.usda.gov.

BACK TO TOP

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).