

March 2019



Farm Service Agency **Electronic News Service**

NEWSLETTER

GovDelivery

Missouri FSA Newsletter

Happy National Ag Day!

We celebrate by highlighting just a few of the farmers working hard to grow food, fiber, and fuel for our nation and beyond. These farmers dedicate their lives to providing for us all. Today and every day, join us in thanking them. [Read more.](#)

Missouri Farm Service Agency

Parkade Center Suite 225
601 Bus. Loop 70 West
Columbia, MO 65203

Phone: 573-876-0925
Fax: 855-830-0680

www.fsa.usda.gov/mo

State Executive Director:
Brent Hampy

State Committee:
Julie Hurst - Chair
Marc Allison
Cindy Schroeder
Will Spargo
Barbara Wilson

To find contact information for your local office go to www.fsa.usda.gov/mo.

A Note from Your State Executive Director

Last week, I had a welcomed feeling that spring may finally arrive here in mid-Missouri. Yes, I realize March can be very messy. This whole winter has felt like a severe and prolonged March to me.

Perhaps my feeling of rejuvenation was enhanced by my recent trip to the Mid-South Farm and Gin Show in Memphis, Tennessee. We connected with Missouri cotton and rice producers during the regional show. This new outreach effort was a welcomed opportunity since Missouri cotton and rice industry events are somewhat limited. Most welcomed was the sight of blooming flowers on March 1!

A highlight during the event was the recognition of Jason Bean's Missouri operation for the Southern Cotton Ginners Association's Agriculture Achievement Award. Additionally, Missouri-native Gary Hays was inducted as President of the Southern Cotton Ginners Association. Furthermore, the contributions of Otto Bean, Jason and Barry Bean's father, were recognized in a memorial tribute to his agricultural and legislative efforts. The Gin Show was a "banner event" for Missouri producers.

[Click here](#) for the Missouri Department of Conservation Covey Headquarters newsletter.

Specific to Missouri FSA activity, county offices have processed nearly \$400 million in Market Facilitation Program (MFP) payments. This has been a welcomed relief to producers and I know we all look forward to completion of USMCA and resolution of other trade agreements. Additionally, FSA staff are busy completing the Livestock Forage Program (LFP) documents and anticipate finishing these applications soon. To date, more than 18,000 Missouri producers in 61 qualifying counties have received \$65.5 million in LFP disaster relief payments. I sincerely appreciate our producers' patience as we work through these difficult times.

Best regards,

Brent Hampy
FSA State Executive Director

Upcoming Deadlines and Important Dates to Remember

Producers are reminded that the crop sales deadline for 2019 Noninsured Crop Disaster Assistance Program (NAP) coverage is March 15. This deadline applies to forage, pasture and most fruits and vegetables. Eligible producers can file an application, pay the applicable service fees and complete acreage reports at their local county FSA office. For more information, visit www.fsa.usda.gov/nap.

The deadline for Marketing Assistance Loans (MAL) and Loan Deficiency Payments (LDP) for 2018 wheat, barley, canola, crambe, flaxseed, honey, oats, rapeseed, and sesame is March 31. Since the 31st falls on a weekend, applications will be accepted through Monday, April 1, 2019. MALs provide producers interim financing after harvest to help them meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows. A producer who is eligible to obtain an MAL, but agrees to forgo the loan, may obtain an LDP if such a payment is available.

For a full listing of program deadlines, NAP sales closing dates, observed holidays, and more, visit www.fsa.usda.gov/mo.

USDA Announces January Income over Feed Cost Margin Triggers First 2019 Dairy Safety Net Payment

The U.S. Department of Agriculture's Farm Service Agency (FSA) announced that the January 2019 income over feed cost margin was \$7.99 per hundredweight, triggering the first payment for eligible dairy producers who purchase the appropriate level of coverage under the new but yet-to-be established Dairy Margin Coverage (DMC) program.

DMC, which replaces the Margin Protection Program for Dairy, is a voluntary risk management program for dairy producers that was authorized by the 2018 Farm Bill. DMC offers protection to dairy producers when the difference between the all milk price and the average feed cost (the margin) falls below a certain dollar amount selected by the producer.

Agriculture Secretary Sonny Perdue announced that sign up for DMC will open by mid-June of this year. At the time of sign up, producers who elect a DMC coverage level between \$8.00 and \$9.50 would be eligible for a payment for January 2019.

For example, a dairy operation with an established production history of 3 million pounds (30,000 cwt.) that elects the \$9.50 coverage level for 50 percent of its production could potentially be eligible to receive \$1,887.50 for January.

Sample calculation:

$\$9.50 - \$7.99 \text{ margin} = \$1.51 \text{ difference}$

$\$1.51 \text{ times } 50 \text{ percent of production times } 2,500 \text{ cwt. } (30,000 \text{ cwt.}/12) = \$1,887.50$

The calculated annual premium for coverage at \$9.50 on 50 percent of a 3-million-pound production history for this example would be \$2,250.

Sample calculation:

$3,000,000 \text{ times } 50 \text{ percent} = 1,500,000/100 = 15,000 \text{ cwt. times } 0.150 \text{ premium fee} = \$2,250$

Operations making a one-time election to participate in DMC through 2023 are eligible to receive a 25 percent discount on their premium for the existing margin coverage rates.

Additional details about DMC and other FSA farm bill program changes can be found at farmers.gov/farmbill.

USDA Outlines Eligibility for 2019 Supplemental Coverage Option Regarding Elections for Agriculture Risk Coverage and Price Loss Coverage

The U.S. Department of Agriculture's Risk Management Agency (RMA) announced that producers who purchased or plan to purchase the [2019 Supplemental Coverage Option \(SCO\) policy](#) should report Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) election intentions to their crop insurance agent by March 15, 2019, or the acreage reporting date, whichever is later.

Producers have the option to elect either ARC or PLC through the Farm Service Agency (FSA) to receive benefits. The 2018 Farm Bill allows producers to make an election in 2019, which covers the 2019 and 2020 crop years.

The Federal Crop Insurance Act prohibits producers from having SCO on farms where they elect ARC. Because of the timing of the Farm Bill, FSA's ARC/PLC election period will not occur until after the SCO sales closing dates and acreage reporting dates.

Producers who purchased SCO policies with sales closing dates of Feb. 28, 2019, or earlier may cancel their SCO policy by March 15, 2019. This allows producers, particularly those who intend to elect ARC for all their acres, to no longer incur crop insurance costs for coverage for which they will not be eligible.

Producers with SCO coverage now have the option to file an ARC/PLC acreage intention report with their crop insurance agent by the later of the acreage reporting date or March 15, 2019. This report will adjust the acreage report by specifying the intended ARC or PLC election by FSA Farm Number. The number of eligible acres on farms with an intention of PLC will be the number of acres

insured for SCO regardless of any actual elections made with FSA. If a producer does not file an ARC/PLC acreage intention report, SCO will cover all acres as though the producer elected PLC.

The existing penalties for misreporting eligible acreage on the SCO endorsement will not apply in 2019.

Additional details about SCO can be found at www.rma.usda.gov.

CRP Participants Must Maintain Approved Cover on Acreages Enrolled in CRP and Farm Programs

Conservation Reserve Program (CRP) participants are responsible for ensuring adequate, approved vegetative and practice cover is maintained to control erosion throughout the life of the contract after the practice has been established. Participants must also control undesirable vegetation, weeds (including noxious weeds), insects and rodents that may pose a threat to existing cover or adversely impact other landowners in the area.

All CRP maintenance activities, such as mowing, burning, disking and spraying, must be conducted outside the primary nesting or brood rearing season for wildlife, which for Missouri is May 1 through July 15. However, spot treatment of the acreage may be allowed during the primary nesting or brood rearing season if, left untreated, the weeds, insects or undesirable species would adversely impact the approved cover. In this instance, spot treatment is limited to the affected areas in the field and requires County Committee approval prior to beginning the spot treatment. The County Committee will consult with NRCS to determine if such activities are needed to maintain the approved cover.

Annual mowing of CRP for generic weed control, or for cosmetic purposes, is prohibited at all times.

Update Your Records

FSA is cleaning up our producer record database. If you have any unreported changes of address, zip code, phone number, email address or an incorrect name or business name on file they need to be reported to our office. Changes in your farm operation, like the addition of a farm by lease or purchase, need to be reported to our office as well. Producers participating in FSA and NRCS programs are required to timely report changes in their farming operation to the County Committee in writing and update their CCC-902 Farm Operating Plan.

If you have any updates or corrections, please call your local FSA office to update your records.

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 [Your FSA Farm Loan Compass](#).

USDA Currently Conducting Multiple Producer Surveys

The U.S. Department of Agriculture's National Agricultural Statistics Service (NASS) is currently conducting the following surveys for Missouri producers:

Cash Rents and Leases Survey

More than 10,000 of Missouri's farmers and ranchers will receive this survey, which is designed to gather land rental information. The results of the survey will serve as a valuable decision-making tool for farmers, ranchers and other landowners and can be used for 2020 rental agreement negotiations. NASS offers the option of responding online via a secure internet connection. In April, representatives will begin calling or visiting landowners who have not yet responded. County cash rent averages will be published on September 10, 2019.

Prospective Plantings Survey

Producers receiving this survey will be asked to provide information about the types of crops and number of acres they intend to plant this year, and the amounts of grain and oilseeds they store on their farms. NASS encourages producers to respond online or by mail. Survey results will be published in the *Prospective Plantings* and *Quarterly Grain Stocks* reports to be released on March 29, 2019.

Quarterly Hogs and Pigs Survey

NASS has mailed questionnaires to all producers selected for this survey, which is the most comprehensive gathering of quarterly data on market hot and breeding stock inventories as well as pig crop and farrowing intentions in the US. The information is used by all sectors of the industry, including producers themselves, to help make sound and timely business decisions. The survey results will be published in the *Quarterly Hogs and Pigs* report on March 28, 2019.

All NASS reports are available online at www.nass.usda.gov/Publications/.

Interest Rates and Dates to Remember

Selected Interest Rates for March 2019

90-Day Treasury Bill	2.375%
Farm Operating Loans - Direct	3.50%
Farm Ownership Loans - Direct	4.00%
Farm Ownership Loans - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency Loans	3.750%
Farm Storage Facility Loans (3 years)	2.500%
Farm Storage Facility Loans (5 years)	2.500%
Farm Storage Facility Loans (7 years)	2.625%
Farm Storage Facility Loans (10 years)	2.750%
Farm Storage Facility Loans (12 years)	2.750%
Commodity Loans (1996-Present)	3.625%

Dates to Remember

March 15, 2019	NAP application closing date for many NAP crops, including forage and pasture.
March 31, 2019	Final availability date for 2018 Marketing Assistance Loans & LDPs for small grains and honey. (Since the 31st falls on a weekend, applications will be accepted through Monday, April 1st.)
May 1, 2019	NAP application closing date for ornamental nursery for subsequent year.
May 15, 2019	Final date to report spring oats and potatoes.

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).