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Farm Service Agency **Electronic News Service**

NEWSLETTER

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West Virginia FSA Newsletter

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USDA Offers Disaster Assistance for West Virginia Farmers Hurt by 2018, 2019 Disasters

Agricultural producers affected by natural disasters in 2018 and 2019, can apply through the Wildfire and Hurricane Indemnity Program Plus (WHIP+). Sign-up for this U.S. Department of Agriculture (USDA) program began Sept. 11.

WHIP+ Eligibility

WHIP+ will be available for eligible producers who have suffered eligible losses of certain crops, trees, bushes or vines in counties with a Presidential Emergency Disaster Declaration or a Secretarial Disaster Designation (primary counties only). Disaster losses must have been a result of hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms or wildfires that occurred in 2018 or 2019. Also, producers in counties that did not receive a disaster declaration or designation may still apply for WHIP+ but must

provide supporting documentation to establish that the crops were directly affected by a qualifying disaster loss.

A list of counties that received qualifying disaster declarations and designations is available at farmers.gov/recover/whip-plus. Because grazing and livestock losses, other than milk losses, are covered by other disaster recovery programs offered through FSA, those losses are not eligible for WHIP+.

Eligible crops include those for which federal crop insurance or Noninsured Crop Disaster Assistance Program (NAP) coverage is available, excluding crops intended for grazing. A list of crops covered by crop insurance is available through USDA's Risk Management Agency (RMA) Actuarial Information Browser at webapp.rma.usda.gov/apps/actuarialinformationbrowser.

The WHIP+ payment factor ranges from 75 percent to 95 percent, depending on the level of crop insurance coverage or NAP coverage that a producer obtained for the crop. Producers who did not insure their crops in 2018 or 2019 will receive 70 percent of the expected value of the crop. Insured crops (either crop insurance or NAP coverage) will receive between 75 percent and 95 percent of expected value; those who purchased the highest levels of coverage will receive 95-percent of the expected value.

At the time of sign-up, producers will be asked to provide verifiable and reliable production records. If a producer is unable to provide production records, WHIP+ payments will be determined based on the lower of either the actual loss certified by the producer and determined acceptable by FSA or the county expected yield and county disaster yield. The county disaster yield is the production that a producer would have been expected to make based on the eligible disaster conditions in the county.

WHIP+ payments for 2018 disasters will be eligible for 100 percent of their calculated value. WHIP+ payments for 2019 disasters will be limited to an initial 50 percent of their calculated value, with an opportunity to receive up to the remaining 50 percent after January 1, 2020, if sufficient funding remains.

Both insured and uninsured producers are eligible to apply for WHIP+. But all producers receiving WHIP+ payments will be required to purchase crop insurance or NAP, at the 60 percent coverage level or higher, for the next two available, consecutive crop years after the crop year for which WHIP+ payments were paid. Producers who fail to purchase crop insurance for the next two applicable, consecutive years will be required to pay back the WHIP+ payment.

Additional information about WHIP+ program eligibility and payment limitations can be found at farmers.gov/recover or by contacting your local [USDA Service Center](#).

Additional Loss Coverage

The Milk Loss Program will provide payments to eligible dairy operations for milk that was dumped or removed without compensation from the commercial milk market because of a qualifying 2018 and 2019 natural disaster. Producers who suffered losses of harvested commodities, including hay, stored in on-farm structures in 2018 and 2019 may receive assistance through the On-Farm Storage Loss Program.

Additionally, producers with trees, bushes or vines can receive both cost-share assistance through FSA's Tree Assistance Program (TAP) for the cost of replanting and rehabilitating eligible trees and WHIP+ will provide payments based on the loss value of the tree, bush or vine itself. Therefore, eligible producers may receive both a TAP and a 2017 WHIP or WHIP+ payment for the same acreage. In addition, TAP policy has been updated to assist eligible orchardists or nursery tree growers of pecan trees with a tree mortality rate that exceeds 7.5 percent (adjusted for normal mortality) but is less than 15 percent (adjusted for normal mortality) for losses incurred during 2018.

Prevented Planting

Agricultural producers faced significant challenges planting crops in 2019 in many parts of the country. All producers with flooding or excess moisture-related prevented planting insurance claims in calendar year 2019 will receive a prevented planting supplemental disaster ("bonus") payment equal to 10 percent of their prevented planting indemnity, plus an additional 5 percent will be provided to those who purchased harvest price option coverage.

As under 2017 WHIP, WHIP+ will provide prevented planting assistance to uninsured producers, NAP producers and producers who may have been prevented from planting an insured crop in the 2018 crop year and those 2019 crops that had a final planting date prior to January 1, 2019.

For more information on FSA disaster assistance programs, please contact your local [USDA service center](#) or visit farmers.gov/recover. For all available USDA disaster assistance programs, go to [USDA's disaster resources website](#).

Farm Storage Facility Loans

FSA's Farm Storage Facility Loan (FSFL) program provides low-interest financing to producers to build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

The low-interest funds can be used to build or upgrade permanent facilities to store commodities. Eligible commodities include corn,

grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds harvested as whole grain, pulse crops (lentils, chickpeas and dry peas), hay, honey, renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple sap, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Qualified facilities include grain bins, hay barns and cold storage facilities for eligible commodities.

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

Producers 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 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 the FSA Farm Storage Facility Loan, visit www.fsa.usda.gov/pricesupport or contact your local FSA county office. To find your local FSA county office, visit <http://offices.usda.gov>.

New Farmers.gov Feature Helps Producers Find Farm Loans that Fit Their Operation

A new online tool can help farmers and ranchers find information on U.S. Department of Agriculture (USDA) farm loans that may best fit their operations. USDA has launched the new *Farm Loan Discovery Tool* as the newest feature on farmers.gov, the Department's self-service website for farmers.

USDA's Farm Service Agency (FSA) offers a variety of loan options to help farmers finance their operations. From buying land to financing the purchase of equipment, FSA loans can help. Compared to this time last year, FSA has seen an 18 percent increase in the amount it has obligated for direct farm ownership loans, and through the 2018 Farm Bill, has [increased the limits](#) for several loan products.

USDA conducted field research in eight states, gathering input from farmers and FSA farm loan staff to better understand their needs and challenges.

How the Tool Works

Farmers who are looking for financing options to operate a farm or buy land can answer a few simple questions about what they are looking to fund and how much money they need to borrow. After submitting their answers, farmers will be provided information on farm loans that best fit their specific needs. The loan application and additional resources also will be provided.

Farmers can download application quick guides that outline what to expect from preparing an application to receiving a loan decision. There are four guides that cover loans to individuals, entities, and youth, as well as information on microloans. The guides include general eligibility requirements and a list of required forms and documentation for each type of loan. These guides can help farmers prepare before their first USDA service center visit with a loan officer.

Farmers can access the *Farm Loan Discovery Tool* by visiting farmers.gov/fund and clicking the “Start” button. Follow the prompts and answer five simple questions to receive loan information that is applicable to your agricultural operation. The tool is built to run on any modern browser like Chrome, Edge, Firefox, or the Safari browser, and is fully functional on mobile devices. It does not work in Internet Explorer.

About Farmers.gov

In 2018, USDA unveiled farmers.gov, a dynamic, mobile-friendly public website combined with an authenticated portal where farmers will be able to apply for programs, process transactions, and manage accounts.

The *Farm Loan Discovery Tool* is one of many resources on farmers.gov to help connect farmers to information that can help their operations. Earlier this year, USDA launched the *My Financial Information* feature, which enables farmers to view their loan information, history, payments, and alerts by logging into the website.

USDA is building farmers.gov for farmers, by farmers. In addition to the interactive farm loan features, the site also offers a Disaster Assistance Discovery Tool. Farmers can visit farmers.gov/recover/disaster-assistance-tool#step-1 to find disaster assistance programs that can help their operation recover from natural disasters.

With feedback from customers and field employees who serve those customers, farmers.gov delivers farmer-focused features through an agile, iterative process to deliver the greatest immediate value to America’s agricultural producers – helping farmers and ranchers do right, and feed everyone.

For more information or to locate your USDA Service Center, visit farmers.gov.

USDA Announces Buy-Up Coverage Availability and New Service Fees for Noninsured Crop Coverage Policies

USDA’s Farm Service Agency (FSA) announced that higher levels of coverage will be offered through the Noninsured Crop Disaster Assistance Program (NAP), a popular safety net program, beginning April 8, 2019. The 2018 Farm Bill also increased service fees and made other changes to the program, including service fee waivers for qualified military veterans interested in obtaining NAP coverage.

NAP provides financial assistance to producers of commercial crops for which insurance coverage is not available in order to protect against natural disasters that result in lower yields or crop losses, or prevent crop planting.

NAP Buy-Up Coverage Option

The 2018 Farm Bill reinstates higher levels of coverage, from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price. Producers of organics and crops marketed directly to consumers also may exercise the “buy-up” option to obtain NAP coverage of 100 percent of the average market price at the coverage levels of between 50 and 65 percent of expected production. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production.

Buy-up coverage is not available for crops intended for grazing.

NAP Service Fees

For all coverage levels, the new NAP service fee is the lesser of \$325 per crop or \$825 per producer per county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties. These amounts reflect a \$75 service fee increase for crop, county or multi-county coverage. The fee increases apply to obtaining NAP coverage on crops on or after April 8, 2019.

NAP Enhancements for Qualified Military Veterans

The 2018 Farm Bill NAP amendments specify that qualified veteran farmers or ranchers are now eligible for a service fee waiver and premium reduction, if the NAP applicant meets certain eligibility criteria.

Beginning, limited resource and targeted underserved farmers or ranchers remain eligible for a waiver of NAP service fees and premium reduction when they file form CCC-860, “*Socially Disadvantaged, Limited Resource and Beginning Farmer or Rancher Certification.*”

For NAP application, eligibility and related program information, visit www.fsa.usda.gov/nap or contact your local USDA Service Center. To locate your local FSA office, visit www.farmers.gov.

USDA Opens 2019 Enrollment for Agriculture Risk Coverage and Price Loss Coverage Programs

Agricultural producers can now enroll in the [Agriculture Risk Coverage \(ARC\) and Price Loss Coverage \(PLC\) programs](#), two popular safety net programs, for the 2019 crop year. Interested producers must sign up for either program by March 15, 2020.

The 2018 Farm Bill reauthorized and made updates to these two USDA Farm Service Agency (FSA) programs. ARC provides income support payments on historical base acres when actual crop revenue declines below a specified guarantee level. PLC program provides income support payments on historical base acres when the price for a covered commodity falls below its effective 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 grain rice (which includes short grain rice), safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

Updated provisions in the 2018 Farm Bill allow producers with an interest in a farm to enroll and elect coverage in crop-by-crop ARC-County or PLC, or ARC-Individual for the entire farm, for program year 2019. The election applies to both the 2019 and 2020 crop years. If a 2019 election is

not submitted by the deadline of March 15, 2020, the election defaults to the current elections of the crops on the farm established under the 2014 Farm Bill. No payments will be earned in 2019 if the election defaults.

For crop years 2021 through 2023, producers will have an opportunity to make new elections. Farm owners cannot enroll in either program unless they have a share interest in the farm.

Once the 2019 election and enrollment are completed, producers on the farm for 2020 can complete an enrollment contract for the 2020 crop year beginning Oct. 7, 2019 and ending June 30, 2020.

Although 2019 enrollment begins Sept. 3, 2019 and must occur first, a producer waiting until Oct. 7, 2019 to enroll is afforded the opportunity to enroll in either program for both 2019 and 2020 during the same office visit. During this time, farm owners have a one-time opportunity to update PLC payment yields that takes effect beginning with crop year 2020. If the owner accompanies the producer to the office, the yield update may be completed during the same office visit.

In partnership with USDA, the University of Illinois and Texas A&M University are offering web-based decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. These decision tools can be found at fsa.usda.gov/arc-plc.

Producers are reminded that enrolling in ARC or PLC programs can impact eligibility for some forms of crop insurance. Producers who elect and enroll in PLC also have the option of purchasing Supplemental Coverage Option (SCO) through the [USDA Risk Management Agency \(RMA\)](#). Producers of covered commodities who elect ARC are ineligible for SCO on their planted acres.

Upland cotton farmers who choose to enroll seed cotton base acres in ARC or PLC are ineligible for the stacked income protection plan (STAX) on their planted cotton acres. To be eligible for STAX coverage, producers must not enroll their seed cotton base acres into the ARC or PLC programs.

For more information on ARC and PLC, download our [program fact sheet](#) or our [2014-2018 farm bills comparison fact sheet](#), or visit fsa.usda.gov/arc-plc.

USDA Reminds Producers: 2019 Enrollment Deadline for the Dairy Margin Coverage Program Is Sept. 20

The U.S. Department of Agriculture's Farm Service Agency (FSA) reminds dairy producers that the deadline to enroll in the [Dairy Margin Coverage](#) (DMC) program for 2019 is Sept. 20, 2019.

Authorized by the 2018 Farm Bill, the program offers reasonably priced 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.

As the 2019 enrollment period draws to a close, FSA estimates over \$257.7 million in payments to producers who are currently registered. Also, nearly half of the producers are taking advantage of the 25 percent premium discount by locking in for five years of margin protection coverage. FSA has launched a new web visualization of the DMC data, which is [available here](#).

Margin payments have triggered for each month from January through July. Dairy producers who elect higher coverage levels could be eligible for payments for all seven months. Under certain levels, the amount paid to dairy farmers will exceed the cost of the premium.

For example, a dairy operation that chooses to enroll for 2019 an established production history of 3 million pounds (30,000 cwt.) and elects the \$9.50 coverage level on 95 percent of production will pay \$4,275 in total premium payments for all of 2019 and receive \$15,437.50 in DMC payments for all margin payments announced to date. Additional payments will be made if calculated margins remain below the \$9.50/cwt level for any remaining months of 2019.

Enrollment for 2020

For 2020, dairy producers can sign up for coverage under DMC beginning Oct. 7 through Dec. 13, 2019. At the time of signup, dairy producers can choose between the \$4.00 to \$9.50 coverage levels.

DMC offers catastrophic coverage at no cost to the producer, other than an annual \$100 administrative fee. Producers can opt for greater coverage levels for a premium in addition to the administrative fee. Operations owned by limited resource, beginning, socially disadvantaged or veteran farmers and ranchers may be eligible for a waiver on administrative fees. Producers have the choice to lock in coverage levels until 2023 and receive a 25-percent discount on their DMC premiums.

Producers who locked in coverage in the 2019 sign-up must certify the operation is producing and commercially marketing milk and pay the annual administrative fee during the 2020 enrollment period.

To assist producers in making coverage elections, USDA partnered with the University of Wisconsin to develop a [DMC decision support tool](#), which can be used to evaluate various scenarios using different coverage levels through DMC.

2019 Retroactive Intergenerational Transfers

Participating dairy operations who had an intergenerational transfer between 2014 and 2019 will have a one-time opportunity to increase their established production history during the 2019 and 2020 annual coverage election periods. Retroactive payments based on the increased production history will apply for 2019 and not prior years.

A dairy operation may add to their approved production history for an intergenerational transfer when a spouse, child or grandchild join a participating dairy operation. Non-linear relatives, such as siblings, cousins, nieces or nephews, that join the operation will not be eligible for a production history increase.

The increase to the established production history of the participating dairy operation will be determined based on multiplying both the national rolling herd average data for the current year in effect at the time of the intergenerational transfer and the quantity of cows purchased by the joining family member within 60 days of joining the dairy operation. For an intergenerational transfer to be recognized by FSA, the requesting dairy operation will meet all eligibility requirements including an ownership provision for those entering the business.

Applications for an intergenerational transfer must be submitted by Dec. 6, 2019, for approval by the local FSA county committee, to be eligible for the increased production history effective on January 1, 2019.

For more information, visit farmers.gov [DMC webpage](#) or contact your local USDA service center. To locate your local FSA office, visit farmers.gov/service-locator.

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