

Wisconsin Farm Service Agency - March 2024

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Dates to Remember

March 15, 2024: Final Sign-Up Deadline for <u>Agriculture Risk Coverage and Price Loss</u> Coverage (ARC/PLC) Programs.

March 15, 2024: Noninsured Crop Disaster Assistance Program (NAP) Deadline for Spring Planted Annual Crops

March 29, 2024: General Conservation Reserve (CRP) Program Sign-Up Deadline

April 1, 2024: Final Availability Date for Marketing Assistance Loans (MAL) for 2023 barley, canola, crambe, flaxseed, honey, oats, rapeseed, wheat, and sesame seed.

April 29, 2024: Dairy Margin Coverage (DMC) Sign-Up Deadline

Agricultural Producers Have Until March 15 to Enroll in USDA's Key Commodity Safety Net Programs for the 2024 Crop Year

Agricultural producers who have not yet enrolled in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs for the 2024 crop year have until March 15, 2024, to revise elections and sign contracts. Both safety net programs, delivered by USDA's Farm Service Agency (FSA), provide vital income support to farmers who experience substantial declines in crop prices or revenues for the 2024 crop year. In

Wisconsin, producers have completed 48,401 contracts to date, representing 57% of the more than 84, 000 expected contracts.

Producers can elect coverage and enroll in ARC-County or PLC, which provide crop-by-crop protection, or ARC-Individual, which protects the entire farm. Although election changes for 2024 are optional, producers must enroll, with a signed contract, each year. If a producer has a multi-year contract on the farm, the contract will continue for 2024 unless an election change is made.

If producers do not submit their election revision by the March 15, 2024, deadline, the election remains the same as their 2023 election for eligible commodities on the farm. Also, producers who do not complete enrollment and sign their contract by the deadline will not be enrolled in ARC or PLC for the 2024 year and will not receive a payment if one is triggered. Farm owners can only enroll in these programs if they have a share interest in the commodity.

Producers are eligible to enroll farms with base acres for the following commodities: 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.

Web-Based Decision Tools

Many universities, including enter local/partner university or universities if applicable (optional), offer web-based decision tools to help producers make informed, educated decisions using crop data specific to their respective farming operations. Producers are encouraged to use the tool of their choice to support their ARC and PLC elections.

Crop Insurance Considerations

Producers are reminded that enrolling in ARC or PLC programs can impact eligibility for some crop insurance products offered by USDA's Risk Management Agency (RMA). Producers who elect and enroll in PLC also have the option of purchasing Supplemental Coverage Option (SCO) through their Approved Insurance Provider, but producers of covered commodities who elect ARC are ineligible for SCO on their planted acres.

Unlike SCO, RMA's Enhanced Coverage Option (ECO) is unaffected by participating in ARC for the same crop, on the same acres. You may elect ECO regardless of your farm program election.

Upland cotton farmers who choose to enroll seed cotton base acres in ARC or PLC are ineligible for the stacked income protection plan, or STAX, on their planted cotton acres.

More Information

For more information on ARC and PLC, producers can visit the <u>ARC and PLC webpage</u> or contact their <u>local USDA Service Center</u>. Producers can also prepare maps for acreage reporting as well as manage farm loans and view other farm records data and customer information by logging into their farmers.gov account. If you don't have an account, sign up today.

Current FSA Loan Interest Rates

Current loan rates as of March 1, 2024.

Farm Loan Interest Rates:

Farm Operating - Direct	4.875%
Farm Operating - Microloan	4.875%
Farm Ownership - Direct	5.250%
Farm Ownership - Microloan	5.250%
Farm Ownership - Direct, Joint Financing	3.250%
Farm Ownership - Down Payment	1.500%
Emergency - Amount of Actual Loss	3.750%

Farm Storage Facility Loans (FSFL):

3-year FSFL	4.250%
5-year FSFL	4.125%
7-year FSFL	4.125%
10-year FSFL	4.125%
12-year FSFL	4.250%

Please visit the <u>Farm Loan Program</u> webpage for more information.

Dairy Producers Can Enroll for 2024 Dairy Margin Coverage Beginning Feb. 28

Beginning February 28, 2024, dairy producers will be able to enroll for 2024 Dairy Margin Coverage (DMC), an important safety net program offered through the U.S. Department of Agriculture (USDA) that provides producers with price support to help offset milk and feed price differences. This year's DMC signup begins Feb. 28, 2024, and ends April 29, 2024. For those who sign up for 2024 DMC coverage, payments may begin as soon as March 4, 2024, for any payments that triggered in January 2024.

USDA's Farm Service Agency (FSA) has revised the regulations for DMC to allow eligible dairy operations to make a one-time adjustment to established production history. This adjustment will be accomplished by combining previously established supplemental production history with DMC production history for those dairy operations that participated in Supplemental Dairy Margin Coverage during a prior coverage year. DMC has also been authorized through calendar year 2024. Congress passed a 2018 Farm Bill extension requiring these regulatory changes to the program.

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. In 2023, Dairy Margin Coverage payments triggered in 11 months including two months, June and July, where the margin fell below the catastrophic level of \$4.00 per hundredweight, a first for Dairy Margin Coverage or its predecessor Margin Protection Program.

2024 DMC Coverage and Premium Fees

FSA has revised DMC regulations to extend coverage for calendar year 2024, which is retroactive to Jan. 1, 2024, and to provide an adjustment to the production history for dairy operations with less than 5 million pounds of production. In previous years, smaller dairy operations could establish a supplemental production history and receive Supplemental Dairy Margin Coverage. For 2024, dairy producers can establish one adjusted base production history through DMC for each participating dairy operation to better reflect the operation's current production.

For 2024 DMC enrollment, dairy operations that established supplemental production history through Supplemental Dairy Margin Coverage for coverage years 2021 through 2023, will combine the supplemental production history with established production history for one adjusted base production history.

For dairy operations enrolled in 2023 DMC under a multi-year lock-in contract, lock-in eligibility will be extended until Dec. 31, 2024. In addition, dairy operations enrolled in multi-year lock-in contracts are eligible for the discounted DMC premium rate during the 2024 coverage year. To confirm 2024 DMC lock-in coverage or opt out in favor of an annual contract for 2024, dairy operations having lock-in contracts must enroll during the 2024 DMC enrollment period.

DMC offers different levels of coverage, even an option that is free to producers, minus a \$100 administrative fee. The administrative fee is waived for dairy producers who are considered limited resource, beginning, socially disadvantaged or a military veteran. To determine the appropriate level of DMC coverage for a specific dairy operation, producers can use the online dairy decision tool.

DMC Payments

DMC payments are calculated using updated feed and premium hay costs, making the program more reflective of actual dairy producer expenses. These updated feed calculations use 100% premium alfalfa hay.

More Information

USDA also offers other risk management tools for dairy producers, including the <u>Dairy Revenue Protection (DRP)</u> plan that protects against a decline in milk revenue (yield and price) and the <u>Livestock Gross Margin (LGM)</u> plan, which provides protection against the loss of the market value of milk minus the feed costs. Both DRP and LGM livestock insurance policies are offered through the Risk Management Agency. Producers should contact their local crop insurance agent for more information.

For more information on DMC, visit the <u>DMC webpage</u> or contact your local <u>USDA Service</u> Center.

USDA Announces Conservation Reserve Program General Signup for 2024

The U.S. Department of Agriculture (USDA) announced that agricultural producers and private landowners can begin signing up for the general Conservation Reserve Program (CRP) **starting March 4 and running through March 29, 2024**. The announcement was made earlier today by Zach Ducheneaux, Administrator of the USDA's Farm Service Agency (FSA) at this year's National Pheasant Fest, in Sioux Falls, SD.

On Nov. 16, 2023, President Biden signed into law H.R. 6363, the Further Continuing Appropriations and Other Extensions Act, 2024 (Pub. L. 118-22), which extended the Agriculture Improvement Act of 2018 (Pub. L. 115-334), more commonly known as the 2018 Farm Bill, through Sept. 30, 2024. This extension allows authorized programs, including CRP, to continue operating.

As one of the largest private lands conservation programs in the United States, CRP offers a range of conservation options to farmers, ranchers, and landowners. It has been an especially strong opportunity for farmers with less productive or marginal cropland, helping them re-establish valuable land cover to help improve water quality, prevent soil erosion, and support wildlife habitat.

Producers and landowners enrolled about 926,000 acres in General CRP in 2023, bringing the total of enrolled acres in General CRP to 7.78 million. This, combined with all other acres in CRP through other enrollment opportunities, such as Grassland and Continuous CRP, bring the current total of enrolled acres to 24.8 million.

General CRP

General CRP helps producers and landowners 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. Additionally, General CRP includes a Climate-Smart Practice Incentive to help increase carbon sequestration and reduce greenhouse gas emissions by helping producers and landowners establish trees and permanent grasses, enhance wildlife habitat, and restore wetlands.

General CRP is one of several ways agricultural producers and private landowners can participate in the program.

Other CRP Options

This past January FSA began accepting applications for the <u>Continuous CRP</u> signup. Under this enrollment, producers and landowners can enroll in CRP throughout the year. Offers are automatically accepted provided the producer and land meet the eligibility requirements and the enrollment levels do not exceed the statutory cap.

The USDA also offers financial assistance to producers and landowners enrolled in CRP to improve the health of their forests through the <u>Forest Management Incentive</u> (FMI), which can help participants with forest management practices, such as brush management and prescribed burning.

FSA will announce the dates for Grassland CRP signup in the near future.

Producers with expiring CRP acres can use the <u>Transition Incentives Program</u> (TIP), which incentivizes producers who sell or enter a long-term lease with a beginning, veteran, or socially disadvantaged farmer or rancher who plans to sustainably farm or ranch the land.

How to Sign Up

Landowners and producers interested in CRP should contact their local <u>USDA Service</u> <u>Center</u> to learn more or to apply for the program before their deadlines.

USDA Now Accepting Applications for Farm Loans Online

The U.S. Department of Agriculture (USDA) has launched an <u>online application for Direct Loan customers</u>. More than 26,000 customers who submit a Direct Loan application each year can now use an online, interactive, guided application that is paperless and provides helpful features including an electronic signature option, the ability to attach supporting documents such as tax returns, complete a balance sheet and build a farm operating plan. This tool is part of a broader effort by USDA's Farm Service Agency (FSA) to streamline its processes, improve customers service, and expand credit access.

The online farm loan application replicates the support an applicant would receive when completing a loan application in person with an FSA Farm Loan Officer, while continuing to provide customers with one-on-one assistance as needed. This tool and other process improvements allow farmers and ranchers to submit complete loan applications and reduce the number of incomplete and withdrawn applications.

Through a personalized dashboard, borrowers can track the progress of their loan application. It can be accessed on farmers.gov or by completing FSA's Loan Assistance Tool at farmers.gov/loan-assistance-tool. To use the online loan application tool, producers must establish a USDA customer account and a USDA Level 2 eAuthentication ("eAuth") account or a Login.gov account. For the initial stage, the online application tool is only available for producers who will be, or are currently, operating their farm as an individual. FSA is expanding the tools availability to married couples applying jointly and other legal entities in 2024.

Farm Loan Improvement Efforts

FSA has a significant initiative underway to streamline and automate Farm Loan Program customer-facing business processes. For the over 26,000 producers who submit a Direct Loan application to FSA annually, and its 85,000 Direct Loan borrowers, FSA has made improvements this year, including:

- A simplified direct loan paper application, reduced from 29 pages to 13 pages.
- The <u>Loan Assistance Tool on farmers.gov</u> that provides customers with an
 interactive online, step-by-step guide to identifying the Direct Loan products that
 may be a fit for their business needs and to understanding the application process.

More Information

FSA continues to accept and review individual requests for assistance from borrowers who took certain extraordinary measures to avoid delinquency on their direct FSA loans or those who missed a recent installment or are unable to make their next scheduled installment. All requests for assistance must be received by Dec. 31, 2023. For more information, or to submit a request for assistance, producers can contact their local <u>USDA</u> Service Center or visit farmers.gov/inflation-reduction-investments/assistance.

The Inflation Reduction Act, a historic, once-in-a-generation investment and opportunity for agricultural communities, provided \$3.1 billion for USDA to provide relief for distressed borrowers with certain FSA direct and guaranteed loans and to expedite assistance for those whose agricultural operations are at financial risk. Since October 2022, USDA has provided approximately \$1.6 billion in immediate assistance to more than 27,000 financially distressed direct and guaranteed FSA loan borrowers.

Emerging Findings on the Effects of Cover Crops on Grassland Birds

As the use of cover crops to improve soil health and reduce water quality concerns on working cropland has increased in recent years, questions have emerged regarding the value of cover crops to wildlife. For example, do cover crops provide needed habitat for grassland birds, a group that has experienced widespread population decline in recent decades? What is the value of cover crop fields to grassland birds during the winter, spring migration, and breeding periods compared to cropland fields without cover crops or areas of perennial cover?

On **April 25 at 2:00 p.m. eastern**, Dr. Adam Janke of Iowa State University and Dr. David Buehler of the University of Tennessee will provide answers to these questions and more during our free, one-hour Conservation Outcomes Webinar. This webinar will share findings from recent studies examining bird use of cover crops in Iowa and Tennessee conducted in partnership with USDA's Conservation Effects Assessment Project. Findings may be used to support on-the-ground cropland management decisions informed by a better understanding of the potential roll of cover crops in grassland bird conservation efforts.

Registration is not required. Access instructions are available on the <u>Conservation</u> <u>Outcomes Webinar Series webpage</u> along with a calendar of upcoming webinars through 2024.

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