

May 2018



Farm Service Agency Electronic News Service

## NEWSLETTER

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# Wisconsin FSA Newsletter

## Wisconsin Farm Service Agency **A Message from Sandy Chalmers**

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Sandy Chalmers

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**State Committee:**  
Lisa Condon, Chair  
Thomas Gillis  
David Heideman  
Anthony Kurtz  
Tom McClellan

[www.fsa.usda.gov/wi](http://www.fsa.usda.gov/wi)

Planters are starting to roll across the southern part of the state this week, and at the same time, dairy families in northeast Wisconsin are recovering from a record-setting blizzard. Our producers in the northeast are reporting heavy damage to freestall barns and sheds, as well as livestock losses and decreased milk production. We're also hearing from beef producers across the state who lost animals in the storm, or who now have sick animals because of the storm.

Please call your local FSA office as you become aware of losses. It's also important that you keep records of your losses – for example, photos, production records, veterinarian records, or rendering truck receipts. FSA employees will explain what program benefits you may qualify for and will help you navigate through the paperwork. One of FSA's key roles is to help farmers get back on their feet after weather-related disasters, so we are ready to assist you.

June 1 is the deadline to enroll in the revised Dairy Margin Protection Plan. Our local FSA offices had 1,200 conversations with producers already this month about the changes, so farmers are definitely giving MPP-Dairy another look.

FSA offices are holding meetings in the next two weeks to answer your questions about the revised program. Congress used feedback from farmers to make significant changes to MPP-Dairy, including lowering premium rates up to 80 percent on the first 5 million pounds. Also, payments will be calculated monthly rather than bimonthly, meaning that producers get paid more quickly and likely more often. We hope to see you at a **meeting**, if you can't make it, just give us a call, and we will explain how MPP-Dairy may benefit your operation.

Best wishes and stay safe.

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## Dates to Remember

**May 1, 2018:**

[Non-insured Crop Disaster Assistance Program](#) coverage deadline for 2019 nursery crops

**May 28, 2018:**

USDA Service Centers closed in observance of Memorial Day

**May 31, 2018:**

Last day to obtain a [Marketing Assistance Loan](#) on 2017 coarse grain crops

**June 1, 2018:**

Last day to enroll in [2018 Dairy Margin Protection Program](#)

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## FSA Makes Administrative Change to the Livestock Indemnity Program

Agricultural producers who have lost livestock to disease, resulting from a weather disaster, have an additional way to become eligible for the [Livestock Indemnity Program](#) (LIP).

In the event of disease, this change by USDA's Farm Service Agency (FSA) authorizes local FSA county committees to accept veterinarian certifications that livestock deaths were directly related to adverse weather and unpreventable through good animal husbandry and management. The committees may then use this certification to allow eligibility for producers on a case-by-case basis for LIP.

LIP provides benefits to agricultural producers for livestock deaths in excess of normal mortality caused by adverse weather, disease or by attacks by animals reintroduced into the wild by the federal government. Eligible weather events include earthquakes, hail, tornadoes, hurricanes, storms, blizzard and flooding.

Producers interested in LIP or other USDA disaster assistance programs should contact their [local USDA service center](#).

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## USDA Reopens Enrollment for Improved Dairy Safety Net Tool

U. S. Department of Agriculture's (USDA) Farm Service Agency (FSA) encourages dairy producers to consider enrolling in the new and improved [Margin Protection Program for Dairy](#) (MPP-Dairy), which will provide better protections for dairy producers from shifting milk and feed prices. With changes authorized under the Bipartisan Budget Act of 2018, the USDA's FSA has set the enrollment period to run **from April 9, 2018 to June 1, 2018**.

The program protects dairy producers by paying them when the difference between the national all-milk price and the national average feed cost (the margin) falls below a certain dollar amount elected by the producer.

Changes include:

- Calculations of the margin period is monthly rather than bi-monthly.
- Covered production is increased to 5 million pounds on the Tier 1 premium schedule, and premium rates for Tier 1 are substantially lowered.

- An exemption from paying an administrative fee for limited resource, beginning, veteran, and disadvantaged producers has been authorized. Dairy operators enrolled in the previous 2018 enrollment period that qualify for this exemption under the new provisions may request a refund.

Dairy operations must make a new coverage election for 2018, even if you enrolled during the previous 2018 signup period. Coverage elections made for 2018 will be retroactive to January 1, 2018. All dairy operations desiring coverage must sign up during the enrollment period by submitting form CCC-782. Dairy operations may still "opt out" by not submitting a form. All outstanding balances for 2017 and prior years must be paid in full before 2018 coverage is approved.

Dairy producers can participate in FSA's MPP-Dairy or the Risk Management Agency's Livestock Gross Margin Insurance Plan for Dairy Cattle (LGM-Dairy), but not both. During the 2018 enrollment period, producers with an active LGM-Dairy policy who have targeted marketings insured in 2018 months will be allowed to enroll in MPP-Dairy by June 1, 2018; however, their coverage will start only after active target marketings conclude under LGM-Dairy.

USDA has a web tool to help producers determine the level of coverage under the MPP-Dairy that will provide them with the strongest safety net under a variety of conditions. The online resource, which is available at [www.fsa.usda.gov/mpptool](http://www.fsa.usda.gov/mpptool), allows dairy farmers to quickly and easily combine unique operation data and other key variables to calculate their coverage needs based on price projections. Producers can also review historical data or estimate future coverage based on data projections. The secure site can be accessed via computer, smartphone, tablet or any other platform.

USDA is mailing postcards advising dairy producers of the changes. For more information, visit [www.fsa.usda.gov/dairy](http://www.fsa.usda.gov/dairy) or contact your [local USDA service center](#).

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## Financial Hardship and Loan Servicing

Many farm loan borrowers' payments are due on an annual basis. FSA expects and encourages prompt payment; however, for borrowers who cannot make their payments due to adversity, such as a natural disaster or production difficulties beyond their control, FSA is committed to providing our farm loan borrowers with the tools necessary to be successful. A part of ensuring this success is providing guidance and counsel from loan or loan servicing application, through the term of your loan, and after. In order for FSA to help, you must alert your local FSA office to any of the following:

- Any proposed or significant changes in the farming operation
- Any significant changes to family income or expenses
- The development of problem situations
- Any losses or proposed significant changes in security

There are options for FSA loan customers during financial stress. If you are a borrower who is unable to make payments on a loan, contact your local FSA Service Center to learn about the options available to you.

If past due on payments, FSA will notify you of your options with a Notice of Availability of Loan Servicing. Please pay special attention to this notice as it provides you with your options for FSA servicing programs and outlines specific deadlines that you must meet. Failure to meet these statutory deadlines may significantly limit your options and FSA's ability to help address your farm's financial difficulties.

For more information on FSA farm loan programs, visit [www.fsa.usda.gov/farmloans](http://www.fsa.usda.gov/farmloans). Please contact your [local FSA Service Center](#) if you have any questions or would like to schedule an appointment to meet with the loan staff to discuss your options.

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## Reporting Wind Turbines Constructed on Cropland

Producers who have wind turbines constructed on their farms should notify the local Farm Service Agency office. Any area that is no longer considered suitable as cropland (producing annual or perennial crops) should be designated in FSA's records and aerial photography maps. When base acres on a farm are converted to a non-agricultural commercial or industrial use, the total base acres on the farm must be reduced accordingly. Non-cropland areas used for wind turbines might impact payments calculated using base acres, such as Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC).

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## USDA to Assist Producers for Qualifying Livestock, Honeybee and Farm-raised Fish Losses

USDA will issue \$34 million to help agricultural producers recover from 2017 natural disasters through the [Emergency Assistance for Livestock, Honeybees and Farm-raised Fish Program](#) (ELAP), which covers losses not covered by other USDA disaster assistance programs. These payments were recently made available. They are part of a broader USDA effort to help producers recover from hurricanes Harvey, Irma and Maria, wildfires and drought. A large portion of this assistance will be made available in [federally designated disaster areas](#).

ELAP aims to help eligible producers of livestock, honeybees and farm-raised fish for losses due to disease, certain adverse weather events or loss conditions, including blizzards and wildfires, as determined by the Secretary. ELAP assistance is provided for losses not covered by other disaster assistance programs, such as the [Livestock Forage Disaster Program \(LFP\)](#) and the [Livestock Indemnity Program \(LIP\)](#).

The increased amount of assistance through ELAP was made possible by the Bipartisan Budget Act of 2018, signed earlier this year. The Act amended the 2014 Farm Bill to enable USDA's [Farm Service Agency](#) (FSA) to provide immediate assistance to producers for 2017 losses without an annual funding cap. It also enables FSA to pay ELAP applications as they are filed for 2018 and subsequent program years.

### Other USDA Disaster Assistance Programs

The Act removed program year payment limitations and increased the acreage cap for the [Tree Assistance Program](#) (TAP), a nationwide program that provides owners of orchards, vineyards and nurseries with cost share assistance to replant eligible trees, bushes, and vines following a natural disaster. For example, the program will help owners of citrus groves in Florida, avocado trees in California, coffee plantations in Puerto Rico and vineyards reduce the cost of replanting and speed recovery from the loss of fruit and nut trees, bushes, and vines.

Prior to the Act, there was a combined program year payment limitation of \$125,000 for ELAP, LIP and LFP per person or legal entity. The Tree Assistance Program (TAP) had its own \$125,000 payment limitation. The Act removed the program year per person and legal entity payment limitation for LIP and TAP. As a result of the Act, a \$125,000 per person and legal entity single payment limitation applies to the total amount of program year payments received under both ELAP and the LFP. In addition, program payments under LIP and TAP no longer have payment limits.

Under the updated program, as amended by the Act, growers are eligible to be partly reimbursed for losses on up to 1,000 acres per program year, double the previous acreage limit of 500 acres.

In total, it is estimated that the Act will enable USDA to provide more than \$3 billion in disaster assistance, including the \$2.36 billion announced recently to be made available through FSA's new [2017 Wildfires and Hurricanes Indemnity Program](#). This includes \$400 million made available for the [Emergency Conservation Program](#), which helps farmers and ranchers repair damage to farmlands caused by natural disasters. As signups across the country are completed, additional applications will be funded.

According to the U.S. National Oceanic and Atmospheric Administration (NOAA), the United States was impacted by 16 separate billion-dollar disaster events in 2017 including: three tropical cyclones, eight severe storms, two inland floods, a crop freeze, drought and wildfire. More than 25 million people – almost eight percent of the population – were affected by major disasters. From severe flooding in Puerto Rico and Texas to mudslides and wildfires in California, major natural disasters caused catastrophic damages with an economic impact totaling more than \$300 billion.

### **For Assistance**

Producers with operations impacted by natural disasters and diseases in 2018 are encouraged to contact their [local USDA service center](#) to apply for assistance through ELAP, TAP, LIP and LFP. Producers with 2017 ELAP claims need to take no further action.

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## **Loan Interest Rates**

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

[Click here to find notification of current FSFL and commodity loan interest rates.](#)

[Click here to view current Farm Loan interest rates.](#)

### **Farm Loans- MAY 2018**

Farm Operating- Direct: 3.625%

Farm Operating- Microloan: 3.625%

Farm Ownership- Direct: 4.125%

Farm Ownership- Microloan: 4.125%

Farm Ownership- Direct, Joint Financing: 2.500%

Farm Ownership- Down Payment: 1.500%

Emergency Loan- Amount of Actual Loss: 3.750%

### **Farm Storage Facility Loans (FSFL)- APRIL 2018**

\***Note-** FSFL and Commodity loan interest rates are not announced until the first of the applicable month. Listed below are interest rates for loans approved in April 2018. Interest rates below are subject to change for May 2018 but give a general idea of the interest rate range.

3-year FSFL: 2.375%

5-year FSFL: 2.625%

7-year FSFL: 2.750%

10-year FSFL: 2.875%

12-year FSFL: 2.875%

## 9-Month Commodity Loans- APRIL 2018

Marketing Assistance Loan: 3.000%

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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).

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