Idaho State Office FSA Newsletter - April 17, 2024

Farm Service Agency | Natural Resources Conservation Service | Risk Management Agency

- <u>Dairy Producers in Idaho are Reminded to Enroll in 2024 Dairy Margin Coverage by April</u>
 29
- File a Notice of Loss for Failed and Prevented Planted Acres
- Annual Review of Payment Eligibility for New Crop Year
- Marketing Assistance Loans and Loan Deficiency Payments for Wool, Mohair and Unshorn Pelts
- USDA Reminds Idaho Producers to File Crop Acreage Reports
- Maintaining Good Credit History

Important Dates

- April 29: Dairy Margin Coverage Program (DMC) Deadline
- May 27: Memorial Day Office's Closed
- July 15: Crop Acreage Reporting Deadline

Click here to learn more about local deadlines and ongoing programs.

Dairy Producers in Idaho are Reminded to Enroll in 2024 Dairy Margin Coverage by April 29



The U.S. Department of Agriculture (USDA) is encouraging dairy producers to enroll by April 29, 2024, for 2024 <u>Dairy Margin Coverage</u> (DMC), an important safety net program that helps offset milk and feed price differences. This year's DMC signup began Feb. 28, 2024, and payments, retroactive to January, began in March 2024. So far, DMC payments triggered in January and February of 2024 at margins of \$8.48 and \$9.44 respectively.

2024 DMC Coverage and Premium Fees

FSA 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.

Congress passed a 2018 Farm Bill extension requiring these regulatory changes to the program. DMC is also authorized through calendar year 2024.

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

DMC is a voluntary risk management program providing 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, DMC 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 DMC or its predecessor Margin Protection Program.

USDA also offers other risk management tools for dairy producers, including the <u>Dairy Revenue Protection</u> (<u>DRP</u>) plan that protects against a decline in milk revenue (yield and price) and the <u>Livestock Gross Margin</u> (<u>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 <u>crop insurance agent</u> for more information.

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

File a Notice of Loss for Failed and Prevented Planted Acres

USDA Farm Service Agency (FSA) reminds you to report prevented planted and failed acres in order to establish or retain FSA program eligibility for some programs.

You should report crop acreage you intended to plant, but due to natural disaster, were prevented from planting. Prevented planting acreage must be reported on form *CCC-576*, *Notice of Loss*, no later than 15 calendar days after the final planting date as established by FSA and the Risk Management Agency (RMA).

If you're unable to report the prevented planting acreage within the 15 calendar days following the final planting date, a late-filed report can be submitted. Late-filed reports will only be accepted if FSA conducts a farm visit to assess the eligible disaster condition that prevented the crop from being planted. A measurement service fee will be charged.

Additionally, if you have failed acres, you should also use form *CCC-576, Notice of Loss*, to report failed acres.

For hand-harvested crops and certain perishables, you must notify FSA of damage or loss through the administrative county office within 72 hours of the date of damage or loss first becomes apparent. This notification can be provided by filing a CCC-576, email, fax or phone. If you notify the County Office by any method other than by filing the CCC-576, you are still required to file a CCC-576, *Notice of Loss*, within the required 15 calendar days.

For losses on crops covered by the Noninsured Crop Disaster Assistance Program (NAP), you must file a *Notice of Loss* within 15 days of the occurrence of the disaster or when losses become apparent. You must timely file a *Notice of Loss* for failed acres on all crops including grasses.

To file a Notice of Loss, contact your local County USDA Service Center or visit www.fsa.usda.gov.

Annual Review of Payment Eligibility for New Crop Year

FSA and NRCS program applicants for benefits are required to submit a completed CCC-902 (Farming Operation Plan) and CCC-941 Average Gross Income (AGI) Certification and Consent to Disclosure of Tax Information for FSA to determine the applicant's payment eligibility and establish the maximum payment limitation applicable to the program applicant.

Participants are not required to annually submit new CCC-902s for payment eligibility and payment limitation purposes unless a change in the farming operation occurs that may affect the previous determination of record. A valid CCC-902 filed by the participant is considered to be a continuous certification used for all payment eligibility and payment limitation determinations applicable for the program benefits requested.

Participants are responsible for ensuring that all CCC-902 and CCC-941 and related forms on file in the county office are updated, current, and correct. Participants are required to timely notify the county office of any changes in the farming operation that may affect the previous determination of record by filing a new or updated CCC-902 as applicable.

Changes that may require a NEW determination include, but are not limited to, a change of:

- Shares of a contract, which may reflect:
 - o A land lease from cash rent to share rent
 - A land lease from share rent to cash rent (subject to the cash rent tenant rule
 - o A modification of a variable/fixed bushel-rent arrangement
- The size of the producer's farming operation by the addition or reduction of cropland that may affect the application of a cropland factor
- The structure of the farming operation, including any change to a member's share
- The contribution of farm inputs of capital, land, equipment, active personal labor, and/or active personal management
- Farming interests not previously disclosed on CCC-902 including the farming interests of a spouse or minor child
- Certifications of average AGI are required to be filed annually for participation in an annual USDA program. For multi-year conservation contracts and NRCS easements, a certification of AGI must be filed prior to approval of the contract or easement and is applicable for the duration of the contract period.

Participants are encouraged to file or review these forms within the deadlines established for each applicable program for which program benefits are being requested.

Marketing Assistance Loans and Loan Deficiency Payments for Wool, Mohair and Unshorn Pelts

Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs) provide financing and marketing assistance for producers of many commodities, including graded and non-graded wool, mohair, and unshorn pelts. MALs and LDPs are available during shearing and provide interim financing to help you meet cash flow needs without having to sell commodities when market prices are low, enabling you to delay selling until more favorable marketing conditions emerge. LDPs are payments made to producers who, although eligible to obtain an MAL, agree to forgo the loan in return for a payment on the eligible commodity.



FSA is now accepting requests for 2024 MALs and LDPs for all eligible wool, mohair and unshorn pelts. These requests should be made on or before the final availability date of Jan. 31, 2025. USDA recently announced 2024 wool and mohair marketing assistance loan rates.

Eligibility

To be eligible for a wool or mohair MAL or LDP, producers must produce and shear eligible mohair and wool in the U.S. during the applicable crop year and must:

- comply with conservation and wetland protection requirements;
- report all cropland acreage on applicable farms where the eligible commodity is produced;
- have and retain beneficial interest in the commodity until the MAL is repaid or the Commodity Credit Corporation (CCC) takes title to the commodity, and;
- meet Adjusted Gross Income (AGI) limitations.

Unshorn pelts are eligible for LDPs only. In addition to the criteria above, producers of unshorn pelts must have sold the unshorn lamb for immediate slaughter or slaughter the lambs for personal use. LDPs and marketing loan gains are not subject to payment limitation, including actively engaged in farming and cash rent tenant provisions.

In addition to producer eligibility, the loan commodity must have been produced and shorn from live animals by an eligible producer, be in storable condition, and meet specific CCC minimum grade and quality standards. Producers are responsible for any loss in quantity or quality of the wool or mohair pledged as loan collateral.

To retain beneficial interest, the producer must have control and title of the wool, mohair, or unshorn pelt. If beneficial interest in the commodity is lost, the commodity loses eligibility for an MAL or LDP and remains ineligible even if the producer later regains beneficial interest. The producer must be able to make all decisions affecting the commodity including movement, sale, and the request for an MAL or LDP.

Producers may repay an MAL any time during the loan period at the lesser of the loan rate plus accrued interest and other charges or an alternative loan repayment rate, the national posted price, which is announced weekly. Visit the Farm Service Agency (FSA) website for posted loan and LDP rates.

How to Apply

Producers can apply for an MAL by contacting their local FSA county office. To be considered for a LDP, producers must first have the form CCC-633 EZ, Page 1, on file with FSA prior to losing beneficial interest in the wool, mohair or unshorn pelt. It is best to visit the county office and submit the CCC-633 Page 1 right before you shear. This is completed one time per crop year and indicates your intention to receive LDP benefits.

To apply and learn more information, contact your local USDA Service Center or visit fsa.usda.gov.

USDA Reminds Idaho Producers to File Crop Acreage Reports

Agricultural producers in Idaho who have not yet completed their <u>crop acreage reports</u> after planting should make an appointment with their U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) service center before the applicable deadline.

An acreage report documents a crop grown on a farm or ranch and its intended uses. Filing an accurate and timely acreage report for all crops and land uses, including failed acreage and prevented planted acreage, can prevent the loss of benefits.

How to File a Report

The following acreage reporting dates are applicable in Idaho:

July 15, 2024: Spring Alfalfa Seed, all other crops, Perennial Forage, Hemp

Acreage reporting dates vary by crop and by county. Contact your local FSA office for a list of acreage reporting deadlines by crop.

To file a crop acreage report, producers need to provide:

- Crop and crop type or variety.
- Intended use of the crop.
- Number of acres of the crop.
- Map with approximate boundaries for the crop.
- Planting date(s).
- Planting pattern, when applicable.
- Producer shares.
- Irrigation practice(s).
- Acreage prevented from planting, when applicable.
- Other information as required.

Acreage Reporting Details

The following exceptions apply to acreage reporting dates:

- If the crop has not been planted by the acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is completed.
- If a producer acquires additional acreage after the acreage reporting date, then the acreage must be reported no later than 30 calendar days after purchase or acquiring the lease. Appropriate documentation must be provided to the county office.
- If crops are covered by the Noninsured Crop Disaster Assistance Program, acreage reports should be submitted by the applicable state, county, or crop-specific reporting deadline or 15 calendar days before grazing or harvesting of the crop begins.

Producers should also report crop acreage they intended to plant, but due to natural disaster, were unable to because of a natural disaster.

Prevented planting acreage must be reported on form CCC-576, Notice of Loss, no later than 15 calendar days after the final planting date as established by FSA and USDA's Risk Management Agency.

FSA offers continuous certification for perennial forage. This means after perennial forage is reported once and the producer elects continuous certification, the certification remains in effect until a change is made. Check with FSA at the local USDA Service Center for more information on continuous certification.

New Option to View, Print and Label Maps on Farmers.gov

Producers with an eAuth account linked to their USDA customer record can now access their FSA farm records, maps and common land units by logging into farmers.gov. A new feature will allow producers to export field boundaries as shapefiles and import and view other shapefiles, such as precision agriculture boundaries. This will allow producers to view, print and label their own maps for acreage reporting purposes.

Producers who have authority to act on behalf of another customer as a grantee via form FSA-211 Power of Attorney, Business Partner Signature Authority, along with other signature types, or as a member of a business can now access information in the farmers.gov portal.

Producers can learn how to use the farmers.gov Farm Records Mapping functionality with this <u>fact sheet</u> and these <u>video tutorials</u>.

More Information

Producers can make an appointment to report acres by contacting their local USDA Service Center.

Maintaining Good Credit History

Farm Service Agency (FSA) loans require applicants to have a satisfactory credit history. A credit report is requested for all FSA direct farm loan applicants. These reports are reviewed to verify outstanding debts, see if bills are paid timely and to determine the impact on cash flow.

Information on your credit report is strictly confidential and is used only as an aid in conducting FSA business.

Our farm loan staff will discuss options with you if you have an unfavorable credit report and will provide a copy of your report. If you dispute the accuracy of the information on the credit report, it is up to you to contact the issuing credit report company to resolve any errors or inaccuracies.

There are multiple ways to remedy an unfavorable credit score:

- Make sure to pay bills on time
 - Setting up automatic payments or automated reminders can be an effective way to remember payment due dates.
- Pay down existing debt
- Keep your credit card balances low
- Avoid suddenly opening or closing existing credit accounts

FSA's farm loan staff will guide you through the process, which may require you to reapply for a loan after improving or correcting your credit report.

For more information on FSA farm loan programs, contact your local County USDA Service Center at or visit <u>fsa.usda.gov</u>.



Idaho FSA State Office

9173 West Barnes Drive, Ste. B Boise, Idaho 83709

> Phone: 208-378-5650 Fax: 855-516-8875

State Executive Director

Arnold Hernandez ~ 208-378-5656 <u>arnold.hernandez@usda.gov</u>

Farm Program Chief

Kyla Pearson ~ 208-378-5667 kyla.pearson@usda.gov

Idaho FSA State Committee

Roy Bunderson ~ Committee Chair

Marie Linehan

Next State Committee Meeting:

April 24, 2024

Administrative Officer

Brandi May ~ 208-378-5670 brandi.may@usda.gov

Farm Loan Chief

Susan R. Smith ~ 208-378-5664 susan.r.smith@usda.gov

Note: To check the status of your FSA Farm Loan (FLP) account, call 1-888-518-4983 or check with your local office. To find contact information for your local office go to www.fsa.usda.gov/id