News & Updates from the Iowa Farm Service Agency - April 25, 2024

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From the Desk of Matt Russell, State Executive Director

Equipment is rolling in every corner of the state as farmers start to plant the 2024 crop. I'm also seeing lots of calves bucking around pastures as I travel the state. Our State Committee Chair Wendy Johnson kept me updated on this year's lamb crop. It's an incredibly busy time for lowa farmers and ranchers.

As we move through 2024, lowa FSA will roll out programs and opportunities to support lowa farming families. Please continue to check in with your county office to make sure you have the best information about investments lowa FSA can make in your operation.

This month I want to thank our partners in lowa's local media that help us promote these opportunities. These newspapers and radio stations do a great service in helping us share the investments the Biden-Harris Administration is making in rural lowa. Whether we're talking about an emergency program like the Livestock Forage Program (LFP) that we rolled out in 21 counties on April 15 or encouraging people to apply for a job at lowa FSA, lowa's local media are critical partners for helping us connect with lowa's farmers and ranchers.

Here are a few examples of recent coverage by local media:

- KNIA-KRLS (Knoxville-Pella-Indianola, IA) <u>Salute to Agriculture Iowa Farm Service Agency's</u>
 Director Matt Russell
- Cascade Pioneer (Cascade, IA) USDA Declares Multiple Iowa Counties as Drought Disaster Areas
- The Standard (Waukon, IA) What's Up at the USDA Office? The county office provides content for a column in each issue!

Last year we had an opportunity to meet with the staff at La Prensa in Denison. Here's a link to their story in Spanish. No worries if you don't speak Spanish, there's an English translation if you scroll down. Iowa agriculture has always depended on people from around the world. That continues today as we see new Iowans in agricultural manufacturing, working on Iowa farms, and starting farms of their own. As farmers adjust to a changing world, we're proud to also find new ways and new partners like La Prensa to help us deliver our programs.

https://www.laprensaiowa.com/blog/usda-ofrece-subvenciones-y-servicios-a-la-comunidad

As Secretary Vilsack continues to share, USDA is committed to investing in opportunities that create new revenue streams for farmers and ranchers. We're also finding ways to support new farmers and innovative farming systems at all scales of agriculture.

In doing this work, I'm especially grateful for our amazing partners in lowa media that help us promote these efforts. Keep looking to lowa media for lowa FSA updates and information as we make available the investments the American public continues to make in rural America. And continue to connect with your local office to learn more about the support available to your operation.

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



Contact your Service Center Today!

The U.S. Department of Agriculture (USDA) is encouraging dairy producers to enroll by April 29, 2024, for 2024 Dairy Margin Coverage (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</u> insurance agent for more information.

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



USDA Beginning Farmer and Rancher Veterans Webinar Series

Register for a free webinar series for military veterans, transitioning service members, and military spouses on how to work with the U.S. Department of Agriculture (USDA) to prepare for a career in agriculture. This webinar series is designed to provide information about USDA Beginning Farmer and Rancher programs and resources for the military community.

Each week we will cover different topics, including:

- Tuesday, April 30, 2024: Veterans Administration loans, Rural Development loans
- Tuesday, May 7, 2024: Urban Agriculture, USDA Beginning Farmer and Rancher programs
- Tuesday, May 14, 2024: Natural Resources Conservation Service programs
- Tuesday, May 21, 2024: Farm Service Agency loans and programs, Risk Management Agency programs

All sessions will be held 1:00 p.m. to 3:00 p.m. Eastern.

You only need to register once for all five webinars. It's highly recommended to attend all five webinars.

Register Here

USDA Now Accepting Online Farm Loan Payments

The U.S. Department of Agriculture (USDA) announced today that most farm loan borrowers can now make payments to their direct loans online through the Pay My Loan feature on <u>farmers.gov</u>. Pay My Loan is part of a broader effort by USDA's Farm Service Agency (FSA) to streamline its processes, especially for producers

who may have limited time during the planting or harvest seasons to visit a local FSA office; modernize and improve customer service; provide additional customer self-service tools; and expand credit access to assist more producers.

On average, local USDA Service Centers process more than 225,000 farm loan payments each year. Pay My Loan gives most borrowers an online repayment option and relieves them from needing to call, mail, or visit a Service Center to pay their loan installment. Farm loan payments can now be made at the borrower's convenience, on their schedule and outside of FSA office hours.

Pay My Loan also provides time savings for FSA's farm loan employees by minimizing manual payment processing activities. This new service for producers means that farm loan employees will have more time to focus on reviewing and processing new loans or servicing requests.

The Pay My Loan feature can be accessed at farmers.gov/loans. To use the payment feature, producers must establish a USDA customer account and a USDA Level 2 eAuthentication ("eAuth") account or a Login.gov account. This initial release only allows individuals with loans to make online payments. For now, borrowers with jointly payable checks will need to continue to make loan payments through their local office.

FSA has a significant initiative underway to streamline and automate the Farm Loan Program customerfacing business process. For the over 26,000 producers who submit a direct loan application annually, FSA has made various improvements including:

- The Online Loan Application, an 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.
- The <u>Loan Assistance Tool</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.
- A <u>simplified direct loan paper application</u>, which reduced loan applications by more than half, from 29 pages to 13 pages.

USDA Partners with FarmRaise to Offer Educational Tools and Resources to Promote Financial Access and Equity for Agricultural Producers

The U.S Department of Agriculture (USDA) today unveiled a new, online Livestock Indemnity Program (LIP) Decision Tool and farm loan resources available to agricultural producers and cooperators who help producers access USDA disaster assistance, farm loans and other federal farm programs. The new LIP tool and the farm loan informational video resources were developed in partnership with FarmRaise and USDA's Farm Service Agency (FSA). These tools are now available at www.farmraise.com/usda-fsa.

Current FarmRaise Tools and Resources

<u>FarmRaise</u>, <u>Inc.</u> has created an online, <u>educational hub</u> -- called <u>Farm Service Agency 101</u> – comprised of videos, and resources that enable cooperators and the agricultural producers they serve to learn about and access major FSA programs.

The newly launched LIP Decision Tool assists livestock producers who suffered losses from eligible adverse weather events and other causes of loss as well as cooperators who are helping disaster-impacted livestock producers navigate available federal disaster assistance programs. The optional decision tool gives producers guidance on what is needed to gather and submit required loss documentation, reducing the

amount of time needed to complete applications and enabling FSA county office staff to deliver much-needed assistance faster. Using this tool, however, is not an application for benefits or a determination of eligibility.

Through use of the LIP tool, livestock producers can provide supporting documentation, inventory numbers, and loss numbers to FSA county offices. Doing so, in advance of the initial county office visit, will help FSA staff serve customers more effectively and efficiently. Producers will also need to complete an application for LIP assistance and, upon request, may be asked to provide additional supporting documentation.

<u>LIP</u> offers payments to livestock producers for livestock deaths in excess of normal mortality caused by qualifying adverse weather events. LIP also covers losses due to eligible diseases and attacks by animals reintroduced into the wild by the federal government or protected by federal law. This includes attacks by wolves and predatory birds.

In addition to the new LIP Decision Tool, the FarmRaise educational hub offers several, easily navigated farm loan programs how-to videos designed to introduce producers to FSA's many farm loan programs options and guide them through the application process.

More FSA program resources and tools will soon be added to the FarmRaise educational hub. Cooperators and agricultural producers are encouraged to visit the FarmRaise educational hub often to access all available resources.

About the Partnership

USDA cooperators are organizations on the frontlines of access and often are the first point of contact connecting farmers to USDA programs. The partnership between FarmRaise, Inc. and FSA, through a cooperative agreement, aims to improve producer participation and customer experience in USDA programs through education and technical assistance to young, beginning, and small-scale to mid-sized producers, producers with disabilities, and veterans.

By developing a digital educational hub that delivers free, user-friendly, producer and cooperator-tested resources USDA and FarmRaise, Inc. will help FSA expedite program delivery to agricultural producers. The hub offers how-to videos and visual aids that educate producers about FSA programs and prepares them for submitting applications for program participation.

More Information

For more information about FSA farm and farm loan programs, visit <u>fsa.usda.gov</u> or contact your local USDA Service Center - <u>farmers.gov/service-center-locator</u>. To learn more about FarmRaise, visit <u>Farmraise.com</u>.

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit usda.gov.

Foreign Investors Must Report U.S. Agricultural Land Holdings

U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) reminds foreign investors with an interest in agricultural land in the United States that they are required to report their land holdings and transactions to USDA.

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires foreign investors who buy, sell or hold an interest in U.S. agricultural land to report their holdings and transactions to the USDA. Foreign investors must file AFIDA Report Form FSA-153 with the FSA county office in the county where the land is located. Large or complex filings may be handled by AFIDA headquarters staff in Washington, D.C.

According to CFR Title 7 Part 781, any foreign person who holds an interest in U.S. agricultural land is required to report their holdings no later than 90 days after the date of the transaction.

Foreign investors should report holdings of agricultural land totaling 10 acres or more used for farming, ranching or timber production, and leaseholds on agricultural land of 10 or more years. Tracts totaling 10 acres or less in the aggregate, and which produce annual gross receipts in excess of \$1,000 from the sale of farm, ranch, forestry or timber products, must also be reported. AFIDA reports are also required when there are changes in land use, such as from agricultural to nonagricultural use. Foreign investors must also file a report when there is a change in the status of ownership.

The information from AFIDA reports is used to prepare an annual report to Congress. These annual reports to Congress, as well as more information, are available on the FSA <u>AFIDA webpage</u>.

Assistance in completing the FSA-153 report may be obtained from the local FSA office. For more information regarding AFIDA or FSA programs, contact your local FSA office or visit farmers.gov.



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