



U.S. DEPARTMENT OF AGRICULTURE FARM PRODUCTION AND CONSERVATION

FARM SERVICE AGENCY NATURAL RESOURCES CONSERVATION SERVICE RISK MANAGEMENT AGENCY

AUGUST 13, 2019

BACKGROUND

Through the Farm Bill, USDA's Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS), and Risk Management Agency (RMA) provide support, certainty, and stability to our nation's farmers, ranchers, and forest managers by providing loans, enhancing farm support programs, improving crop insurance, maintaining disaster programs, and promoting and supporting voluntary conservation.

Farmers.gov provides farmers, ranchers, private foresters, and agricultural producers with online **self-service applications, educational materials, engagement opportunities, and business tools** to increase efficiency and productivity while preserving and fostering long-held traditional relationships between local USDA offices and producers. Please direct your constituents to this site for more information.

RECOVER – Assistance for recovering losses and rebuilding after natural disasters

- **Noninsured Crop Disaster Assistance Program** (NAP) provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occur due to natural disaster.
 - To receive payment for losses this season, eligible producers must have purchased NAP coverage for 2019 crops.
- **Tree Assistance Program** (TAP) provides financial assistance to eligible orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes, and vines lost by natural disasters.
 - The final date to submit a TAP application and supporting documentation is the within 90 calendar days of the disaster event; or the date when the loss is apparent to the producer.
- **Livestock Indemnity Program** (LIP) provides benefits to eligible livestock owners or contract growers for livestock deaths in excess of normal mortality caused by eligible loss conditions, including eligible adverse weather.
 - Producers must submit a notice of loss to their local FSA office within 30 calendar days of when the loss is apparent.

- **Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program** (ELAP) provides financial assistance to eligible producers of livestock, honeybees and farm-raised fish for losses due to disease, certain adverse weather events or loss conditions.
 - Producers must submit a notice of loss to their local FSA office within 30 calendar days of when the loss is apparent.
- **Emergency Conservation Program** (ECP) provides emergency funding and technical assistance to farmers and ranchers to rehabilitate farmland damaged by natural disasters and to implement emergency water conservation measures in periods of severe drought.
 - Cost-share payments are up to 75 percent of the cost to implement approved restoration practices and up to 90 percent for limited resource producers, subject to payment limitations.

FUND -- Loans, incentives, and grants to fund operations

- **Farm Loans** offer direct and guaranteed loans to farmers and ranchers to promote, build and sustain family farms for a thriving agricultural economy.
 - Direct Loan Program: farm ownership, operating, and emergency loans
 - Guaranteed Loan Program: farm ownership, operating, and conservation loans
 - Land Contract Guarantee Program
- **Farm Storage Facility Loans** (FSFL) provide low-interest financing for producers to store, handle, and/or transport eligible commodities they produce.

MANAGE – Safety net programs, financial assistance, and insurance for mitigating risk

- **Crop Insurance**
 - RMA manages the **Federal Crop Insurance Program**, which provides effective, market-based risk management tools to strengthen the economic stability of agricultural producers. **Approved Insurance Providers** (AIPs) sell and service Federal crop insurance policies in every State and Puerto Rico through a public-private partnership with RMA. RMA backs the AIPs who share the risks associated with catastrophic losses due to major weather events. RMA's website has information to help producers choose the right plan, locate an insurance agent near them, and find information on coverage, liability, and losses.
 - Total liability in the program is more than \$65 billion on more than 275 million acres for crop year 2019, not including fall-seeded crops. Indemnities reached nearly \$7 billion in crop year 2018 on more than 335 million acres covered with over \$110 in liability.
- **Prevented Planting**
 - Prevented planting coverage is available for most crops and covers insurable causes of loss such as floods, hurricanes, or excess precipitation that occurs during the insurance period.

- As of July 19, 2019, USDA had paid roughly \$458 million in claims for prevented planting because of floods and excess moisture.
 - RMA adjusted the final haying and grazing date from November 1 to September 1 to help farmers who are facing a feed shortage because they were prevented from planting or delayed in planting because of flooding and excess rainfall this spring.
 - Due to the adjustment, farmers this year may cut a cover crop on their prevented planting acreage for silage, haylage or baleage for personal use, donation, or sale on or after September 1 without affecting their preventing planting payment.
 - A [frequently asked questions](#) on prevented planting with guidelines for haying and grazing is available at rma.usda.gov; however, producers should contact their crop insurance agent to discuss how the change applies to their policy.

- **[Dairy Margin Coverage Program](#)** is a voluntary risk management program for dairy producers that offers protection to dairy producers when the difference between the all milk price and the average feed price, called the margin, falls below a certain dollar amount selected by the producer.
 - Dairy producers now have access to a [new web-based decision tool](#) to evaluate various scenarios using different coverage levels available through the new DMC program.
 - DMC signup began June 17. Signup ends September 20, 2019.

- **[Agriculture Risk Coverage and Price Loss Coverage](#)** (ARC/PLC) offers financial assistance to producers of major row crops when either commodity prices or revenues are below certain levels. PLC program payments are issued when the effective price of a covered commodity is less than the respective reference price for that commodity.
 - FSA will open ARC/PLC elections for the 2019 and 2020 crop years beginning in September 2019.
 - Covered commodities include wheat, oats, barley, corn, grain sorghum, rice, soybeans, sunflower seed, rapeseed, canola, safflower, flaxseed, mustard seed, crambe, sesame seed, dry peas, lentils, small chickpeas, and large chickpeas.
 - The 2018 Farm Bill requires producers to elect ARC or PLC. The election made for 2019 also will be effective for 2020. Producers will have the opportunity to reelect thereafter in each year from 2021 through 2023.

- **[Nonrecourse Marketing Assistance Loan Program](#)** (MAL) provides interim financing at harvest time to help agricultural producers meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows, allowing the producer to delay the sale of the commodity until more favorable market conditions emerge.
 - **Loan Deficiency Payment (LDP)** is available under certain market conditions to a producer who is eligible to obtain a MAL, but who agrees to forgo the MAL.

- **Market Facilitation Program** (MFP) assists farmers who continue to suffer from damages because of unjustified trade retaliation from foreign nations.
 - The sign-up period for DMC runs through Dec. 6.
 - MFP payments will be made to producers of alfalfa hay, barley, canola, corn, crambe, dry peas, extra-long staple cotton, flaxseed, lentils, long grain and medium grain rice, mustard seed, dried beans, oats, rapeseed, safflower, sesame seed, small and large chickpeas, sorghum, soybeans, sunflower seed, temperate japonica rice, and wheat.
 - MFP assistance is based on a single county payment rate multiplied by a farm's total plantings of MFP-eligible crops in aggregate in 2019. A producer's total payment-eligible plantings cannot exceed total 2018 plantings.
 - Dairy producers will receive a per hundredweight payment on production history, and hog producers will receive a payment based on hog and pig inventory for a later-specified time frame.
 - Tree nut, fresh sweet cherry, cranberry, and fresh grape producers will receive a payment based on 2019 acres of production.
 - Payments are limited to a combined \$125,000 for corn, cotton, sorghum, soybeans, and wheat per person or legal entity and are limited to a combined \$125,000 for dairy and hog producers.
 - Applicants must have an average adjusted gross income for tax years 2014, 2015, and 2016 of less than \$900,000 and must comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.
 - USDA will provide a minimal per acre MFP payment to farmers who filed prevented planting claims and planted an MFP-eligible cover crop, with the potential to be harvested or foraged.
 - MFP payments will be made in up to three tranches, with the second and third tranches evaluated as market conditions and trade opportunities dictate. The first tranche will begin in August. If conditions warrant, the second and third tranches will be made in, respectively, November and early January.
 - Producers who filed a prevented planting claim and planted an eligible cover crop, with the potential to be harvested, qualify for a \$15 per acre payment. Acres that were never planted in 2019 are not eligible for a MFP payment.

CONSERVE – Financial and technical assistance to implement conservation activities

- **Conservation Reserve Program** (CRP)
 - FSA is accepting applications through August 23, 2019, for certain practices under the continuous CRP, offering a one-year extension to existing CRP participants who have expiring CRP contracts of 14 years or less, and reopening enrollment for existing Conservation Reserve Enhancement Program agreements.
 - FSA plans to offer a General CRP signup in December 2019.
- **Environmental Quality Incentives Program** (EQIP)
 - While not designed to be an emergency response program, EQIP can play a vital role in assisting producers recover from natural disasters. Through EQIP, NRCS

provides financial assistance to repair and prevent excessive soil erosion caused or impacted by natural disasters. In 2018, NRCS provided more than \$50 million in special EQIP funding to help with natural disasters.

- Michigan received an additional \$3 million above its annual allocation of EQIP funds to address resource concerns resulting from extremely wet planting conditions. The funding was used to provide financial assistance to farmers for planting cover crops on unplanted fields.
- **Conservation Stewardship Program (CSP)**
 - On May 10, 2019, NRCS posted guidance for state conservationists regarding the handling of participant requests to apply for new contracts, as well as extending unexpired contracts from 2014. Additional guidance was posted regarding changes needed for existing Regional Conservation Partnership Program partnership agreements to enroll in new CSP contracts.
 - NRCS plans to invest up to \$700 million for new enrollments and contract extensions in fiscal year 2019.
- **Conservation Innovation Grants (CIG)**
 - On May 15, 2019, NRCS announced that it is investing \$25 million per year over the next five years to help support On-Farm Conservation Innovation Trials, part of CIG and available to farmers eligible to participate in the Environmental Quality Incentives Program. Proposals were accepted through July 15, 2019.
 - On May 30, 2019, NRCS announced the availability of \$12.5 million to support CIG on agricultural lands. Proposals were accepted through July 30, 2019.

CUSTOMER SERVICE

- **Farmers.gov** – Farmers.gov serves as a customer gateway and informational counterpart to an authenticated, transactional portal where USDA customers can apply for programs, process technical and financial transactions, and manage accounts.
 - **My Financial Information** – This feature enables a USDA customer to view loans and financial information; interest payments (including year-to-date interest paid for the past five years); loan history; paid-in-full and restructured loans; and account alerts displayed to give borrowers important notifications regarding their loans.
 - **Farm Loan Discovery Tool** – Potential customers can answer a few short questions to learn about USDA farm loans that might be right for them. USDA also offers other funding opportunities to help farmers, ranchers, and forest landowners finance their business.
 - **Disaster Assistance Discovery Tool** - Through five simple steps, the farmers.gov disaster assistance discovery tool matches producers with USDA disaster assistance programs that may best meet their business needs.

