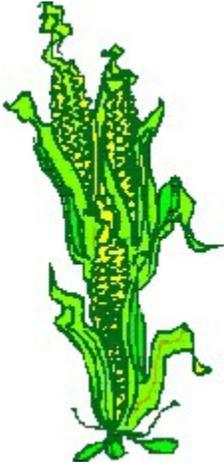


Courthouse
1926 Hall Avenue
Marinette, WI 54143
Phone: 715-732-7510



If you will need any type of accommodation or assistance as you attend any Extension sponsored event, please contact the host county or Scott at the Marinette County office at least two days prior to the event. All requests will be confidential.

Scott Reuss
715-732-7510
1-877-884-4408
cell 715-923-0807
reuss@marinettecounty.com

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June/July, 2020 Agriculture Newsletter

Extension is here to help you. Yes, that sounds like the stereotypical "I'm from the government, I'm here to help.", to which most farms would say, "Yes, there's the door.". The nice thing about Extension is that you don't need to accept our help and we have no regulatory links whatsoever, but we have resources to assist you in making decisions, analyzing options, getting certified (Pesticide Applicator, Youth Tractor, Skid Steer Safety, etc...) and considering changes. So, if you want or need information from someone who doesn't sell anything and only uses research based information in their replies, you may want to consider contacting myself or one of my counterparts across WI or the U.P.

Send me your e-mail address. If you want me to be able to send you anything in this newsletter electronically, let me know and I will get it to you. Or, if you simply want to be able to get immediate updates, send your e-mail address to me at either scott.reuss@wisc.edu or sreuss@marinettecounty.com so that I can add you to my system.

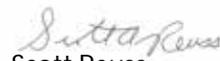

Scott Reuss

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Calendar of Events:

Badger Crop Connect Webinars: Every other Wednesday at 12:30 p.m., contact Reuss to get information or monitor Extension websites or WI Crop Manager.

July: Youth Tractor and Machinery Safety Certification Training, with finale date of August 5 or 6, see page 8 of NL for details.

Horticulture Pest Management Lunch n' Learn Webinar series:

This local event series will help you identify and manage pests of the different plant groups. All live webinars start at noon and will conclude by 1 p.m.

Thursday, July 2 Vegetable Garden Pests

Tuesday, July 7 Fruit Crop Pests

Thursday, July 9 Flower Bed Pests

Tuesday, July 16 Shade Tree Pests

Register by e-mailing to scott.reuss@wisc.edu or to

nservais@marinettecounty.com by 10 a.m. the day of the program. The webinar link will be sent to you prior to the start of the webinar.

CFAP Direct Payments to Commodity Crop Farmers: A Wisconsin Perspective

Paul Mitchell, Professor of Agricultural and Applied Economics, Extension State Specialist, and Director of the Renk Agribusiness Institute, University of Wisconsin-Madison June 2, 2020

The USDA has published details on the Coronavirus Food Assistance Program (CFAP) direct payments to farmers impacted by market disruptions due to COVID-19. For commodity crops, payments focus on crops with price declines exceeding 5% from mid-January to mid-April. The three major non-specialty crops in Wisconsin that farmers will be eligible for payments are corn, soybeans and oats, though a few Wisconsin may plant other eligible crops. Specialty crops are also potentially eligible (<https://www.farmers.gov/cfap/specialty>). In this post, I briefly explain payment calculation and encourage farmers to contact their county USDA Farm Service Agency (FSA) office to enroll.

CFAP Payments Rates

As a confusing factor, two sources of funding were authorized by Congress and each has different payment rates (<https://www.farmers.gov/cfap/non-specialty>). From a farmer's perspective, CFAP uses the average of these two payment rates. The table below lists the final effective prices per bushel for major Wisconsin crops, plus some crops that may have a few acres in Wisconsin. These prices incorporate the averaging between the two different payment rates.

Crop	Effective CFAP Payment Rate
Corn	33.5 cents per bushel
Soybeans	47.5 cents per bushel
Oats	16 cents per bushel
Sorghum	31 cents per bushel
Wheat, Durum	19.5 cents per bushel
Wheat, Hard Red Spring	19 cents per bushel
Barley (malting only)	35.5 cents per bushel
Canola	1 cent per pound
Sunflowers	2 cents per pound

Several crops are excluded from eligibility, including soft red winter wheat, hard red winter wheat, white wheat, rye, feed barley, and hemp. Most types of forage are excluded, including alfalfa, hay, haylage and other forage crops. Wheatlage and barlage are excluded. Corn, oats, soybeans and sorghum made into silage are eligible for payments after conversion to grain equivalents. Conversion factors are set for each crop. For corn silage, the grain equivalent is 7.94 bushels per ton at 65% moisture. For oats, the grain equivalent is 4.08 bushels per ton of oatlage at 65% moisture. For soybeans, it is 5.00 bushels per ton of soybean silage. For sorghum, it is 5.56 bushels per ton for sorghum silage. Note, it must be grain sorghum taken for silage, not sorghum planted for silage or a sorghum sudangrass hybrid.

Calculating Payments

Farmers will be asked to certify their 2019 total production for eligible crops, as well as their unpriced inventories for each crop on January 15, 2020. The production to use for calculating CFAP payments for each eligible crop is the lesser of a) 50% of 2019 production and b) unpriced inventory on January 15, 2020. The first CFAP payment will then be 80% of this production multiplied by the price from the table. Later, if funding is still available, a second CFAP payment for the remaining 20% will be made.

As an example, suppose a farm harvested 50,000 bushels of corn in 2019 and on January 15, 2020 still had 30,000 bushels in storage (they had already sold or fed 20,000 bushels). The farm also sold in November 2019 a forward contract to deliver had 10,000 bushels of corn on March 15, 2020. This corn was part of their inventory on January 15, 2020. For this farm, half of their 2019 production is $50\% \times 50,000$ bushels = 25,000 bushels and their unpriced inventory on January 15 was 30,000 bushels – 10,000 bushels forward contracted = 20,000 bushels. The lesser of these is the 20,000 bushels of unsold inventory, so the farm uses 20,000 bushels to calculate the CFAP payment. For this example, the first corn CFAP payment would then be $80\% \times 20,000$ bu \times \$0.335/bu = \$5,360.

The USDA FSA has a CFAP payment calculator available: <http://fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/cfap/cfap-payment-calculator-public-facing-version-1-final.xlsm>. This spreadsheet also completes and prints the necessary forms based on the information entered.

Signup Details

FSA begins taking CFAP applications on May 26, 2020 until August 28, 2020. Farmers should call their county FSA office to schedule an appointment. To prepare, farmers will need to be able to certify their 2019 production and inventory remaining on January 15 for each eligible crop. Other information needed will be tax identification number, farm operating structure, adjusted gross income compliance certification and direct deposit information. Applications will be submitted electronically (not in person), by scanning, emailing or faxing. Please call your FSA office to set an appointment to begin your electronic application process before sending personal information.

Payment Limits

Payment limits are \$250,000 per person and legal entity, applied to the total CFAP payments made for all eligible commodities, including dairy, livestock and specialty crops. Unlike other FSA programs, payment limitation rules are more stringent for corporations, LLCs and partnerships. These entities may receive up to \$250,000 for each shareholder who contributes substantial labor or management (at least 400 hours of active management or labor), up to three shareholders.

Farms must also satisfy conservation compliance provisions, not have a controlled substance violation, and, if a foreign person, provide land, capital and a substantial amount of active personal labor to the farming operation.

Tools to Help Complete Crop Production Reports for CFAP Payment Applications

Paul Mitchell, Agricultural and Applied Economics, Extension State Specialist, and Director of the Renk Agribusiness Institute, University of Wisconsin-Madison

The USDA Farm Service Agency (FSA) is accepting applications from farmers for the Coronavirus Food Assistance Program (CFAP) direct payments. The USDA FSA has a payment calculator available: <http://fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/cfap/cfap-paymentcalculator-public-facing-version-1-final.xlsm>. This spreadsheet also completes and prints the necessary forms based on the information entered.

Here is how to complete the non-specialty crop production section (Part 2).

Step 1: Choose the Crop. Eligible non-specialty crops appear on the pulldown menu that appears when clicking in the yellow Commodity column. Common Wisconsin crops include corn, soybeans, oats, and sorghum. A few Wisconsin farms may grow canola, sunflowers, malting barley (under contract) or the eligible types of wheat.

Step 2: Enter Total 2019 Production. In this column enter the total bushels produced in 2019. This is the sum of bushels of grain and silage (and high moisture corn and snaplage) after converting to grain equivalent bushels.

- Bushels should be converted to standard moisture levels (15.5% for corn, 14% for soybeans, oats and sorghum). Use this spreadsheet to make moisture adjustments: <https://aae.wisc.edu/pdmitchell/wp-content/uploads/sites/15/2020/06/WI-CFAPConverter.xlsx>. The spreadsheet can also make moisture adjustment for high moisture corn if you know the bushels and moisture level.
- Silage should be converted to grain equivalents using the FSA conversion factors after first converting silage to tons at 65% moisture. Use the same spreadsheet to make silage moisture adjustments and grain equivalents conversions if you know tons of silage: <https://aae.wisc.edu/pdmitchell/wp-content/uploads/sites/15/2020/06/WI-CFAPConverter.xlsx>.
- Several short "how-to" sheets and companion spreadsheets are available to calculate grain equivalents based on silage volumes and for snaplage and high moisture corn
 - o Determining Grain Equivalents for Snaplage and High Moisture Corn: <https://aae.wisc.edu/pdmitchell/2020/06/03/determining-grain-equivalents-for-snaplage-and-high-moisture-corn-for-cfap/>
 - o Determining the Tons of Silage in Conventional Upright Silos: <https://aae.wisc.edu/pdmitchell/2020/06/02/determining-the-tons-of-silage-inupright-silos-for-cfap/>
 - o Determining the Tons of Silage in Silo Bags <https://aae.wisc.edu/pdmitchell/2020/06/02/determining-the-tons-of-silage-in-silobags-for-cfap/>
 - o Determining the Tons of Silage in Bunker Silos <https://aae.wisc.edu/pdmitchell/2020/06/02/determining-the-tons-of-silage-inbunker-silos-for-cfap/>
 - o Determining the Tons of Silage in Piles <https://aae.wisc.edu/pdmitchell/2020/06/02/determining-the-tons-of-silage-inpiles-for-cfap/>
- Document the process and assumptions you used to calculate your final bushels for each crop, such as a short written description or printed hard copies of spreadsheets with the file name and saved location.

Step 3: Enter Unsold 2019 Production on January 15, 2020. In this column enter the total unsold bushels of the crop you had on January 15, 2020. Again, this production should be the sum of bushels of grain and silage (and high moisture corn and snaplage) after converting them to grain equivalent bushels. The same tools above can be used to make moisture adjustments and to convert the various forms of silage to bushels of grain equivalents.

- A key point is that this production has to be "subject to price risk" and so cannot include bushels under various types of contracts. In brief, grain under a basis contract, basis fixed contract, no price established, delayed price, or deferred price contract is included, but grain under several other types of cash, forward and futures contracts is excluded. The full list of ineligible contract types is available here: <https://www.farmers.gov/cfap/nonspecialty> and https://www.farmers.gov/sites/default/files/documents/FSA_CFAP_NonSpecialtyCropProducers_Fact%20Sheet-v3.pdf.
- Again, document the process and assumptions you used to calculate your final unsold bushels on January 15, 2020 for each crop.

NOTE: There are a lot of links here, you can find this document electronically as part of the ag newsletter on the Marinette Extension website, or at Paul Mitchell's web site under the CFAP tab at

<https://aae.wisc.edu/pdmitchell/category/cfap/> If in doubt with calculations, contact Reuss or FSA personnel.

Farm Service Agency Notices

June 30 Last Day to Complete Enrollment for 2020 Agriculture Risk Coverage, Price Loss Coverage Programs

Agricultural producers who have not yet enrolled in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs for 2020 must do so by June 30. Although program elections for the 2020 crop year remain the same as elections made for 2019, all producers need to contact their local USDA Farm Service Agency (FSA) office to sign a 2020 enrollment contract.

Producers who do not complete enrollment by close of business local time on Tuesday, June 30 will not be enrolled in ARC or PLC for the 2020 crop year and will be ineligible to receive a payment should one trigger for an eligible crop. With the current market conditions, it is highly likely that a payment will be triggered for both ARC and PLC for our three major grain crops (corn, soy, wheat), so please make sure that you do get your contract signed.

ARC and PLC contracts can be mailed or emailed to producers for signature depending on producer preference. Signed contracts can be mailed or emailed back to FSA or, arrangements can be made in advance with FSA to drop off signed contracts at the FSA county office – call ahead for local drop off and other options available for submitting signed contracts electronically.

CFAP forms' assistance also available for dairy & beef producers.

Remember that livestock commodities are also eligible for CFAP payments through the Farm Service Agency office. Local personnel indicate that the percentage of dairy producers whom have already applied (and received checks in many cases) is increasing steadily and is going well. Beef producers are not at the same percentage of completion, so consider getting your processes started. The application deadline is not until August 28th, but you don't want to wait too long to get the processes started.

For dairy farms, Mark Stephenson, Center for Dairy Profitability, has recorded a video that walks producers through the spreadsheet which allows you to fill out the required Form AD-3114, and also has a spreadsheet which you can use to conduct all the necessary calculations. These tools are found at <https://dairymarkets.org/cfap/>

Beef forms are a bit easier to fill out, but there are more definitions and you need to be able to relatively accurately document how big your animals were between April 16 and May 14. Payments will be made for unpriced inventory on hand in that time period, as well as all animals marketed between January 15 and April 14.

Sheep producers have the opportunity for payments for any animals less than 2 years old which were marketed in that time frame, or were unpriced and in on-farm inventory between April 16 and May 14. A full article outlining opportunities and requirements can be found at <https://fyi.extension.wisc.edu/wbic/2020/05/26/coronavirus-programs-and-what-they-mean-for-livestock-producers/>

Don't forget about Crop Reporting and Nomination forms, and WHIP !!

All of the CFAP forms and payment processing is additional workload for local FSA personnel. In addition, they are working through WHIP payment possibilities for all our area's farms due to weather patterns in 2019. If you haven't asked or been involved in discussions about this program and how it can impact your farm, make sure you ask FSA personnel when you are getting other things done – like 2020 Crop Reporting (due July 15) and Nominating yourself or neighbors for County Oversight Committee positions.

Crop Insurance also requires communication!

One last note about federal programs is regarding crop insurance. This federally subsidized, but privately managed, program is a key cog in the risk management of most farms. However, you need to remember to maintain open communication lines with your agent. There aren't nearly as many issues as last year, but make sure that if your plans change on particular acres (for example, chopping silage vs. combining grain) that you inform your agent Prior to conducting the forage harvest operation.

Division of Extension Support for Food Entrepreneurs

Webinar 1: July 13th, 9:00 AM Food safety document development for small food processors, killing two birds with one stone: FSMA compliance and COVID-19 preparedness

Small-scale food producers must complete required documentation to be compliant with the Food Safety Modernization Act (FSMA). This includes documentation of your size exemption as a “qualified facility” and various food safety programs. This webinar is intended for small (< \$1 million in sales/year) food entrepreneurs and small food businesses, farm market managers, and directors of shared-use kitchens. We will discuss the basic requirements for Good Manufacturing Practices (GMPs) and how to prepare your business to help combat COVID-19. Abby Snyder, Food Safety Specialist, Cornell University. This course is offered by Cornell University and made possible through a grant supported by the USDA. Zoom: <https://uwextension.zoom.us/j/93160480133?pwd=QVN0dWp0Ny94QkFieVQ4SUVYOFlhBQT09>

Webinar 2: August 10th, 9:00 AM Starting a food business in Wisconsin: keep food safety in mind

What are the licensing requirements for starting a food business in Wisconsin? This webinar will answer basic questions about types of licenses a business may need, standards for a food production facility (and tips on locating space for rent), food safety plans, and resources to help small-scale food entrepreneurs get business licensed in Wisconsin and up and running. Barbara Ingham, Food Safety Specialist, Division of Extension, University of Wisconsin-Madison. Zoom: <https://uwextension.zoom.us/j/99621127415?pwd=SHVSMjZYd29NeHByOEI6aFlpTldhZz09>

On-going support: Licensing/Food Safety/Product Development help for Food Entrepreneurs Call: 608-263-7383; Email – bingham@wisc.edu (Food Safety Specialist) • One-on-one support for food businesses with food safety questions. • Support for small food businesses trying to meet licensing requirements. • Supporting food businesses in manufacturing safe food under license. • Resources to assist with product development and production/packaging questions



Wisconsin Farm Support Program
Apply *June 15th-June 29th*
- Application link will go live on June 15 -
revenue.wi.gov
Payments FROM \$1,000 TO \$3,500.
Questions? Contact:
DORFarmSupport@wisconsin.gov
OR
(608) 266-2772



Wisconsin Department of Agriculture, Trade and Consumer Protection

Make sure you have gotten your application into the system for this WI specific program. All farms with gross revenue between \$35,000 and \$5 million are eligible for the program payment. If you don't apply using the online application, you will not be eligible and the deadline is Monday, June 29.

Please remember that this program has nothing to do with Farm Service Agency, as it is a WI program. They will not be able to answer any questions about the program, nor assist you with the on-line application. You need your 2019 Federal Income Tax return when filling out the application.

Dairy Situation and Outlook, June 18, 2020
By Bob Cropp, Professor Emeritus
University of Wisconsin Cooperative Extension
University of Wisconsin-Madison

Milk prices have been volatile, but it looks like volatility will be a record in 2020. In January, the Class III prices was \$17.05. By May it had fallen to \$12.14. But it looks like June will be above \$20. Class IV has also been volatile with January at \$16.65 falling to \$10.67 in May and will be about \$13.35 in June.

What factors drove these big changes in milk prices? The sharp drop in prices in May was the result of the COVID-19 virus shutting down schools, universities, restaurants, and food service which caused a big drop in the sales of milk, cheese, and butter. Milk production was also at a relatively high level with March production 2.8% higher than the year before resulting in more milk than milk plants could handle with the loss of sales. Dairy farmers were asked to lower milk production and some were asked to dump milk. But then in May and continuing in June sales of milk, cheese, and butter while not back the levels prior to COVID-19 started to improve. Restaurants are slowly reopening, and food service sales are increasing. Restaurants and food service needed to place rather big orders of cheese and butter to restock their supplies. With people staying at home retail sales of milk, cheese and butter increased. By May 15th and into June the Farmers to Family Food Box Program kicked in and the government bought rather large quantities of milk and cheese. And on the supply side dairy cooperatives implemented base excess plans to their producers to reduce milk production. So, all these activities tightened the supply demand situation and milk prices responded. This shows we can have big changes in milk prices from relatively small changes in supply and demand.

USDA's milk production report showed dairy farmers did reduce milk production. Milk cow numbers declined by 11,000 head from April to May and by 15,000 head March to May. May cow numbers were still 0.4% higher than a year ago but milk per cow was 1.5% lower resulting in May milk production to be 1.1% lower than a year ago. The two leading dairy states California and Wisconsin had lower milk production of 1.5% and 3.1% respectively. Both had reduced cow numbers with California down 4,000 head and Wisconsin 12,000 head. May milk production was lower than a year ago by 3.7% in New York and Pennsylvania, 1.9% in Minnesota, 2.0% in Iowa, 0.4% in Michigan and 7.2% in New Mexico. But milk production was up by 4.8% in Idaho, 4.6% by Oregon, 2.1% in Kansas and 9.7% in South Dakota. South Dakota had added 11,000 cows.

The Class III price is driven by the cheese price. On the CME 40-pound block cheddar was as high as \$2.0225 per pound in January. Got as low as \$1.00 in April and as high as \$2.585 in June and is now \$2.50. Cheddar barrels were as high as \$1.50 per pound in January, got as low as \$1.00 in April and as high as \$2.425 in June and is now \$2.28. The price of whey also impacts the Class III price but has not shown any real strength in May or June. The Class IV price is driven by the price of butter and nonfat dry milk. Butter was as high as \$1.90 per pound in January. Got as low as \$1.10 per pound in April and as high as \$2.015 in June and is now \$1.8075. Nonfat dry milk was as high as \$1.24 per pound in January. Got as low as \$0.80 in April and was as high as \$1.05 in June and is now \$1.02.

The big question is how long can these milk prices hold? A big part of the answer is milk production. Hopefully, dairy farmers do not respond to higher milk prices by increasing production again. We are entering the seasonal low in milk production during July through September. So, milk production will be declining and hopefully stay below year ago levels over the next few month. The question is will schools and universities reopen. It looks like some will and some may stay with online instruction. Will restaurants be allowed to open to a larger capacity and will consumers be willing to go to restaurants. USDA has announced it will extend purchases of dairy products under the Food Box Program in July and August which would be positive for milk prices. This fall cheese and butter plants will build stocks to meet the seasonal increase in demand for the holidays. Will there be a second surge in COVID-19? So, there is a lot of uncertainty as to milk prices for the remainder of the year. But prices should remain rather strong for the next 2 or 3 months at least. Beyond that there is more uncertainty. Dairy futures currently are rather optimistic. Class III futures is \$20 in July, \$18's in August, high \$17's in September before trailing off to the \$16's by November and December. Dairy producers should consider taking advantage of these prices with risk management tools such as the Dairy Revenue Protection Program, Class III futures and options, forward contracting some of their milk with a milk buyer because there is a greater probability that milk prices could fall from these current futures prices than increase.

Youth Tractor and Machinery Safety

Training and Certification – 2020

Nothing seems to be set in stone when it comes to educational programming this year, but here is the plan for this summer's youth tractor safety certification. We will be conducting the training via a combination of self-study, live webinar opportunities, individual conversations as needed, and one in-person testing and skills building day. This certification format will allow for lots more schedule flexibility for farm families, but will also put a little bit more onus on family members to assist their student learners with on-farm skill tasks that will be part of the assignments. Current Details:

Registration Fee of \$40

Test & Skills Day(s) August 5 or 6

Registration opens on July 1st, students must be enrolled by July 22nd, but it is recommended to register as soon as you can to give the students as much time as possible to get through the training materials and requirements.

To register, e-mail students' name, mailing address, contact phone number, birthdate, and student and parent e-mail addresses to scott.reuss@wisc.edu Scott will send you an invoice for the registration fee along with forms which need to be signed to begin the course.

Who needs to take this certification? To legally drive tractors or other implements of husbandry on public roads in the State of Wisconsin, youth between the ages of 12 and 16 must have taken this certification training. 12 and 13 year olds are eligible to conduct driving activities as they work only on their parents' or grandparents' farms, while 14 year olds and older are eligible to work on family farms or for hire on other farms.

If you have any questions about eligibility or requirements for training, or the course methodology this year, contact Scott Reuss at the e-mail address above, or by calling either 715-732-7510 or 715-923-0807.

Dicamba product usage update

Hopefully everyone who has the required seed in the ground has seen all the news, but the EPA has cancelled registration of XtendiMax, Engenia, and FeXapan. Whatever product you had on your farm as of June 3rd can be used according to the label on that product, through July 31st. If you are using these products, please make certain you do follow all label requirements and that you follow very prudent safety precautions, as the scrutiny on such use is probably going to be a notch higher than for other herbicide applications.