

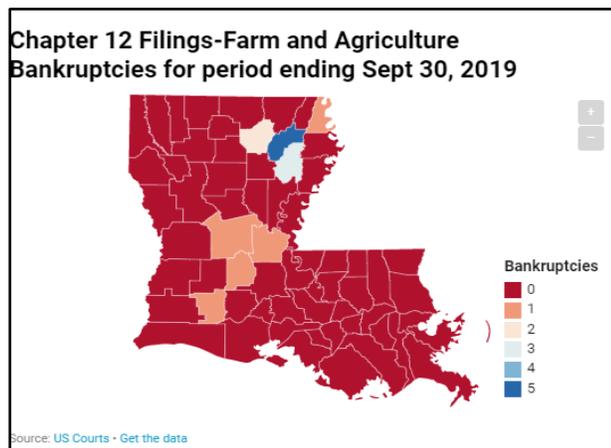


## Louisiana Commodities and Conservation Newsletter

### November 2019; Issue-7

#### Chapter 12 filings

A recent report indicates that farm bankruptcies in the US, ending Sept 30, 2019, have gone up 24% compared to last year. Except southeast, bankruptcies increased in every other region. In Louisiana, there were 17 chapter-12 filings the previous year. This year that number is 15, a reduction of about 10%.



#### Sweeping residue in sugarcane – eligible 2019 EQIP practice

NRCS used the results from an LSU AgCenter study to include sweeping of sugarcane residue, instead of the traditional burning, as an eligible EQIP practice. Sweeping of cane residue, as indicated by our specialists, has shown to provide weed control, minimizing soil erosion and nutrient losses. It is also shown to have no significant impact on cane yield and sugar content. NRCS currently includes this practice under the Residue and Tillage Management category, practice code 345. The cost-share payment for eligible producers is in the range of \$11/acre to \$13/acre.

#### Interest of crop insurance premiums-

USDA-RMA has announced to defer interest payments on 2019 crop insurance premiums for Ag producers, until Jan 31, 2020, specifically for those with a premium

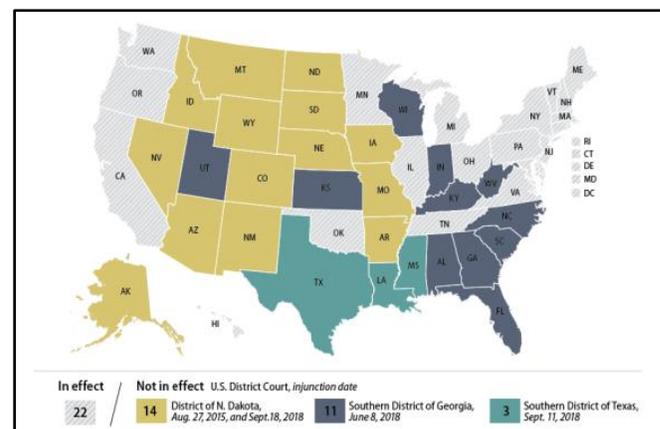
billing date of Aug 15, 2019. This extension, from the traditional Sept 30<sup>th</sup> date, will provide producers to able to make use of that extra money while waiting to get paid for their crops. This extension is the second one. The first extension period was supposed to end on November 30, 2019.

### INDUSTRY NEWS!!

- According to the Nov 18<sup>th</sup> policy report by FAPRI- Projected 2019/20 corn prices average \$3.85 per bushel; soybean prices average \$8.99 per bushel, and wheat prices average \$4.58 per bushel.
- Apply for 2019 MFP: December 6, 2019 is the deadline. Payment includes 25% of the total, in addition to the 50% they have already received.

#### Status of the 2015 WOTUS rule

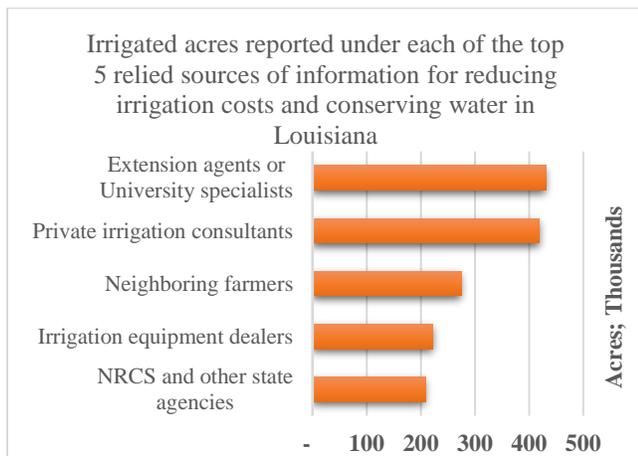
EPA and USACE repeals 2015 WOTUS rule; however, it is currently in effect in 22 states. In the remainder of the 28 states, the regulations of the pre-2015 Act, the original clean water act, are in effect. Courts issued an injunction for Louisiana, Mississippi, and Texas on Sept 11, 2018, bringing the total number of states to 28.



Source: Congressional Research Service.

## Top 5 information sources for irrigation water management

According to the USDA Water Management and Survey Report, extension agents are the top source of information for Louisiana farmers for irrigation water conservation. Although multiple sources are relied on for such information, it reinforces the role of extension agents, ag-consultants, peer to peer networks, and conservation agencies. Farmers selected more than one option. Total irrigated acres reported under each selection are shown below.



## Japan Lower House Passes US Trade Deal

US-Japan trade deal actions continue to make progress as the Japanese Parliament passed a limited trade deal. The bill goes for a vote in the Upper House, but its passage through the Lower House marks an additional step towards deal's ratification in January 2020. Beef, pork, poultry, egg products, and strawberries, all contributing to the Louisiana agricultural economy, are going to see lower tariffs. Strawberries are included in the product category of zero tariffs. Beef and pork will see reduced tariffs. Poultry and egg products will see a staged tariff elimination process.

Questions and comments:

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## Cover crops and crop insurance

The Agricultural Improvement Act of 2018, commonly referred to as the Farm Bill, made changes to the way crop insurance interacts with cover crops. Now, crop insurance will attach at the time of planting an insured crop when planting a cover crop. Cover crop management practices will be reviewed according to the Good Farming Practices (GFP) guidelines as with other management decisions. Prior to the 2018 Farm Bill, the NRCS Termination Guidelines had to be followed, or any exceptions need approval in advance before crop insurance would attach to the insurance crop. The RMA GFP Handbook outlines the guidelines regarding cover crops.

## Barriers to water conservation on farms

In the same USDA Water management report, the farmers of Louisiana reported the barriers that interfere with the adoption of water conservation in their farm operations. Improvements not providing cost savings to justify costs and not able to take up any additional financial burden are among the top barriers. NRCS provides cost-share assistance to farmers for making improvements to irrigation practices; however, farmers might be limited by the availability of conservation dollars within their parish. Farmers selected more than one option. Total irrigated acres reported under each selection are presented in the graph.

