#### March 2016



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## Washington FSA Newsletter

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## Washington Farm Service Agency

316 W. Boone, Ste. 568 Spokane, WA 99201-2350

#### www.fsa.usda.gov/wa

#### **State Committee:**

Don Olmstead, Jr., Chair Larry DeHaan, Member Steve Hair, Member Jesus Limon, Member Sheryl Hagen-Zakarison, Member

#### State Executive Director:

## Financing Expands Options for Storage and Handling

One of the Farm Service Agency's best kept secrets is the Farm Storage Facility Loan Program. The program has expanded beyond its origins of providing low-interest financing options for commodity crop storage to offering low-interest financing for a wide array of specialty crop storage and handling facilities. The best news is the "not able to get credit elsewhere" criteria for most of FSA's loan programs doesn't apply to the Farm Storage Facility Loan Program.

If you have been contemplating how to pay for storage or handling equipment or facilities to meet food safety regulations, this program may be the option for you. Or, if you are just expanding or diversifying your operation, the program may offer the financing you need. Eligible crops and products Judy Olson

**Division Chiefs:** 

Mike Mandere, Administration Rod Hamilton, Programs Mike Mykines, Loans

Please contact your <u>local</u> <u>FSA office</u> for questions specific to your operation or county.

include everything from alfalfa to yogurt.

The maximum loan amount is \$500,000 per loan request. Loan terms are seven, ten or 12 years depending on the loan amount. As of the last week in February, the annual interest rate was 2% to 2.25% depending on the term of the loan. A \$100 application fee is required.

If you are interested in a Farm Storage Facility Loan, contact your <u>county FSA office</u> before starting any construction. Learn more about the program at your <u>county FSA office</u> or view the online <u>Farm Storage</u> <u>Facility Loan fact sheet</u>.

### Resources for Veterans Transitioning to Farming

USDA recognizes the service that veterans have made to America. In return, American taxpayers, through USDA, offer veterans special preferences. If you are a recent veteran, you may be eligible for special preference when seeking financial assistance through FSA loan programs. Additional benefits may be available to you as a beginning farmer.

Other USDA agencies also have veteran preferences for some programs and veterans receive preferential federal hiring. USDA has consolidated information about resources available for veterans in a single location on the USDA website - <a href="https://newfarmers.usda.gov/veterans">https://newfarmers.usda.gov/veterans</a>.

Non-profit organizations have formed to assist veterans transition from the battlefield to the farm. Some of these organizations are:

**Growing Veterans** - Combining veteran reintegration with sustainable agriculture. Located in Lynden, WA (Whatcom Co.) with connections in King, Thurston, Snohomish counties. <a href="http://growingveterans.org/">http://growingveterans.org/</a>.

**Vets on the Farm**/Spokane Conservation District - Transitioning veterans into civilian life and careers in agriculture.

https://www.facebook.com/VetsOnTheFarm

**Farmer Veteran Coalition** - The mission of the Farmer Veteran Coalition is to mobilize veterans to feed America, cultivating a new generation of

farmers and food leaders. http://www.farmvetco.org/

**Homegrown by Heroes** - Helps veterans market their agricultural products. http://hgbh.org/

To learn more about the FSA programs contact your county FSA office.

#### **Healthy CRP Requires Maintenance**

Spring weather brings out the weeds. If you are a Conservation Reserve Program (CRP) contract holder, you are required to control weeds on your CRP ground. However, certain restrictions apply during the primary nesting season.

The primary nesting season for Washington is April 1 through July 1. During this time period, prior approval by the County Committee is required to treat weeds by mowing, burning, or spraying on contracts that have received final stand certification. Treatment must be limited to areas that have weed problems. Treatment of entire fields for cosmetic purposes is not allowed.

Outside the nesting period, you are allowed to perform treatment without any prior approval from FSA.

Activities such as harrowing or chopping of dried mustards and Russian thistle after the nesting period has ended can be a valuable tool to keep these weeds from getting on your neighbor's property. They also help maintain grass vigor and ensure that you have a viable cover for the entire CRP contract period. Fifty percent cost-sharing is available if these activities are approved by FSA before work begins.

Remember that these rules only apply to contracts that have been certified as being established. If your stand has not been certified, you may, and are contractually required to perform any weed control activities necessary, at any time of the year as called for in your conservation plan. Failure of your stand due to lack of weed control may lead to payment reductions or contract termination.

#### Removing CRP Vegetative Cover after Contract Expiration

If you wish to destroy the vegetative cover early on an expiring Conservation Reserve Program (CRP) during its last year, it is important to remember certain restrictions. No cover destruction is permitted until after **July 1**, unless a waiver is received from FSA. This pertains whether the land will be planted to a fall-seeded or spring-seeded crop after contract expiration. The annual payment is reduced to zero for the period starting on the date of cover destruction through September 30. A conservation plan modification may be required prior to any cover destruction if there are environmental concerns or the land is highly erodible.

A waiver may be granted only in the following situations:

- The land will be seeded to a crop in the fall of 2016.
- The land is in an area with less than 25 inches of annual precipitation.
- The **only** cover destruction permitted May 1 to July 1 is by chemical application.
- Normal tillage or other forms of cover destruction is permitted after July 1

- Burning in the last year of the contract is also not permitted until after July 1.
- Early land preparation is limited to general CRP practices, and prior approval by FSA is required before cover destruction begins.

If you would like to learn more about CRP contract expiration or you need a waiver, contact your county FSA office.

# Multi-Location Conference Offers Women a Chance to Network, Learn and Be Inspired

On March 19, the 2016 Women in Agriculture Conference will offer women in Washington, Idaho, Oregon, Montana and Alaska a unique opportunity to gather in 31 different locations for a one-day event featuring knowledgeable speakers, inspiring stories, networking with other producers and practical advice for learning new skills. A list of Washington locations can be found here.

This year's event, "Power Up Your Communication, Power Up Your Farm" covers the topic of your communication style and how you use it to manage, motivate and influence people. Whether you communicate on Facebook or face to face, it matters how you communicate with others. Understanding your style is a powerful tool for building personal and business relationships. This interactive and engaging conference will define how you communicate for success, according to WSU Douglas County Extension Director and chair of the conference, Margaret Viebrock, "The format of this conference enables us to offer our headline speakers at all locations, while still tailoring the conference content for each region."

The lineup for the day includes Wendy Knopp and Michael Stolp with Northwest Farm Credit Services who will help the participants discover their communication style. These skills will improve decision making and connect marketing to what motivates prospects and customers.

Tangent, Oregon farmer, Shelly Boshart Davis, will explain how she improved her communication approach to improve her business strategies, motivate employees, work with her family and increase business sales.

The conference registration fee is \$30, but if you register between now and March 5, you will receive the early bird special of \$25. The conference registration fee includes the workshop, light breakfast, lunch and conference materials. Visit the website at <a href="https://www.womeninag.wsu.edu">www.womeninag.wsu.edu</a> for details about the conference and registration.

Persons with a disability requiring special accommodations while participating in this program may contact Margaret Viebrock at viebrock@wsu.edu or 509-745-8531.

# Change of Administrative County for ARC-County Deadline Extended

Earlier this year, FSA announced producers participating in the Agriculture Risk Coverage County (ARC-CO) would have an opportunity to request a change of FSA administrative county for your farm. The deadline to request the transfer is now **April 15, 2016.** 

FSA bases a farm's payments for the Agriculture Risk Coverage County (ARC-CO) program on

county data for the county where the farm is administered. This means that a farm physically located in County A will receive an ARC-CO payment if payments are triggered in County B if the farm is administered by the FSA office in County B. The reverse is also true; a farm physically located in County A but administered in County B will not receive a payment if there are none made in County B, even if payments occur in County A.

Because payments in this program are county specific, a small number of farms participating in the program experienced a mismatch between administrative county and physical location. For this reason, FSA is allowing producers on a farm to select the physical or administrative location county for 2014 and 2015 ARC-CO payment calculations. The decision may be made independently for each year.

In some cases, the recalculation for a farm may result in a higher payment for one crop and a lower payment for another crop. The recalculated payment will be the net of the two payments and in some cases may necessitate one shareholder returning a portion of a payment if the shares are split by crops among producers. All producers on a farm with a share in the payments must unanimously agree to recalculate the payment based on the physical location of the tracts. County offices now have the tools to assist producers in determining the net 2014 payments for physical or administrative counties. If your farm is subject to this change, the operator of record should receive a postcard soon on this option.

#### **NAP Application Closing Date Reminder**

The Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of noninsurable crops when low yields, loss of inventory, or prevented planting occurs due to natural disasters.

NAP offers higher levels of coverage than in the past. Previously you were covered at 55 percent of the approved price for losses exceeding 50 percent, but now you can cover up to 65 percent of your expected yield at 100 percent of the price.

For new, low-income or previously underserved farmers, the administrative fee is waived and the additional coverage premiums will be discounted.

**March 15, 2016** is the final date to purchase NAP coverage for the following crops — artichokes, beets for seed or fresh, buckwheat, camelina, carrots for fresh or processing, mustard, radish for seed or fresh, small grain forages (wheat, barley, oats, peas), and any other spring planted crops not mentioned in other closing dates.

NAP coverage should be purchased at least 30 days before the crop is planted, but no later than the application closing date.

NAP coverage cannot be offered on any crop for which Federal Crop Insurance is available in the county. If you have questions regarding NAP availability or NAP application closing dates, please contact your county FSA office for more information.

## **Commodity Loans Still Available**

Short-term financing is still available for your 2015 harvested crops. Commodity loans for barley, canola crambe flasseed honey oats rapeseed wheat or sesame seed must be requested by

March 31, 2016. Commodity loans for corn, dry peas, grain sorghum, lentils, mustard seed, safflower seed, chickpeas, soybeans, and sunflower seed must be requested by May 31, 2016.

A nine-month marketing assistance loan provides financing that allows producers of these crops to store the harvested production for later marketing. The crop may be stored on the farm or in the warehouse. Loans are available to producers who share in the risk of producing the eligible commodity and maintain beneficial interest in the crop through the duration of the loan. Beneficial interest means retaining the ability to make decisions about the commodity, having responsibility for loss because of damage to the commodity, and having title to the commodity.

For more information or to apply for a marketing assistance loan, contact your county FSA office.

### **Change to CRP Managed Haying and Grazing Provisions**

For several years, managed haying and/or grazing of CRP was only permitted once every 4 years for most contracts. A change in the 2014 Farm Bill allowed FSA State Committees to select new frequencies, but also included new restrictions on grazing periods. The State Committee sought input on these changes from a variety of stakeholders. Recently the Committee determined they would increase the frequency, allowing haying or grazing once every 3 years. The newly approved grazing periods are available at your county FSA office. These provisions apply to general CRP contracts approved from this point forward, but producers with existing contracts can request to have your conservation plan revised to adopt these new rules.

#### **Important Dates and Deadlines**

**March 15, 2016** - Deadline to purchase 2016 crop year Non-insured Crop Disaster Assistance Program (NAP) coverage for artichokes, beet seed or fresh, buckwheat, camelina, carrots fresh or processing, mustard, radish for seed or fresh, small grain forages (wheat, barley, oats, peas), and other spring planted crops.

**March 31, 2016** - Deadline to request a commodity marketing assistance loan (MAL) or loan deficiency payment (LDP) for 2015 harvested crops of barley, canola, crambe, flaxseed, honey, oats, rapeseed, wheat, or sesame seed.

**April 15, 2016** - Deadline to request change of administrative county for Agriculture Risk Coverage County (ARC-CO) program.

For previous issues of the FSA Washington newsletter and a list of annual program **reminders**, check the newsletter page on the FSA Washington website.

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