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Washington FSA - May Newsletter

Washington Farm Service Agency

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www.fsa.usda.gov/wa

State Committee:

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Commodity Loans Add Flexibility to Marketing 2015 Crops

Short-term financing is still available for your 2015 harvested crops. 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.

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

Financing Your Farm or Ranch

FSA's loan programs are designed to help family farmers to start, purchase or expand your farming operation. In many cases, FSA finances beginning farmers who need additional financial and business acumen to qualify for commercial credit. In other cases, FSA helps farmers who have suffered financial setbacks from natural disasters, or who need additional resources with which to establish and maintain profitable farming operations.

Direct farm ownership loans can be used to purchase farmland, enlarge an existing farm, construct and repair buildings, and to make farm improvements. Direct farm ownership loans are restricted to borrowers who are unable to get commercial credit so that FSA does not compete with commercial lenders. The agency does have a guaranteed farm ownership loan program that can assist borrowers who may be eligible for commercial credit.

The maximum loan amount for direct farm ownership loans is \$300,000 and a down payment is not required. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Farm ownership loans are not to exceed 40 years.

For borrowers who need more than \$300,000 or can get commercial credit, FSA's guaranteed loan program has a maximum indebtedness of \$1,399,000. For the guaranteed loans, a borrower is the customer of a commercial lender, who receives an FSA guarantee on a loan.

Each year Congress targets a percentage of farm ownership loan funds to socially disadvantaged (SDA) and beginning farmers.

Contact your <u>county FSA office</u> for more information about direct or guaranteed farm ownership loans.

Schedule Now to Report Spring-Seeded Crops and CRP

It's time to report spring-seeded crops and Conservation Reserve Program (CRP) acres at your <u>county FSA office</u>. The 2016 final crop acreage reporting deadline for all Washington counties is **July 15, 2016**. You can avoid delays by reporting crop acreages as soon as planting is complete.

Filing an accurate acreage report for all crops and land uses, including failed acreage and prevented planting acreage, can prevent the loss of benefits for a variety of programs (Non-insured Crop Disaster Assistance Program or NAP; Tree Assistance Program or TAP; and Agriculture Risk Coverage and Individual Risk Coverage or ARC-IC). Failed acreage must be reported within 15 days of the disaster event and before disposition of the crop. Prevented planting must be reported no later than 15 days after the final planting date.

USDA Offers New Loans for Portable Farm Storage and Handling Equipment

Portable Equipment Can Help Producers, including Small-Scale and Local Farmers, Get Products to Market Quickly

USDA's Farm Service Agency will provide a new financing option to help farmers purchase portable storage and handling equipment. The loans, which now include a smaller microloan option with lower down payments, are designed to help producers, including new, small and mid-sized producers, grow their businesses and markets.

The program also offers a new "microloan" option, which allows applicants seeking less than \$50,000 to qualify for a reduced down payment of five percent and no requirement to provide three years of production history. Farms and ranches of all sizes are eligible. The microloan option is expected to be of particular benefit to smaller farms and ranches, and specialty crop producers who may not have access to commercial storage or on-farm storage after harvest. These producers can invest in equipment like conveyers, scales or refrigeration units and trucks that can store commodities before delivering them to markets. Producers do not need to demonstrate the lack of commercial credit availability to apply.

Earlier this year, FSA significantly expanded the list of commodities eligible for Farm Storage Facility Loans. Eligible commodities now include aquaculture; floriculture; fruits (including nuts) and vegetables; corn, grain sorghum, rice, oilseeds, oats, wheat, triticale, spelt, buckwheat, lentils, chickpeas, dry peas sugar, peanuts, barley, rye, hay, honey, hops, maple sap, unprocessed meat and poultry, eggs, milk, cheese, butter, yogurt and renewable biomass. FSFL microloans can also be used to finance wash and pack equipment used post-harvest, before a commodity is placed in cold storage.

To learn more about Farm Storage Facility Loans, visit www.fsa.usda.gov/pricesupport or contact a county FSA office.

The Farm Service Agency is Hiring

The Farm Service Agency is seeking qualified applicants interested in a training position, with the long term goal of managing an FSA county office in Washington state. FSA is hiring a County Office Trainee (COT), which will be headquartered in Spokane. The application closing date is **May 5**, **2016**.

FSA develops new local leaders through a 1-year training program for COTs. Following the training, COTs apply for County Executive Director positions in available county FSA offices.

The agency is looking for qualified applicants who are interested in living in rural communities and assisting farmers and ranchers. Vacancies with FSA are posted on the USAJobs website www.usajobs.gov.

The full announcement for this position can be found at:

Or contact Mitzi Stephens at the FSA State Office at mitzi.stephens@wa.usda.gov or (509) 323-3007.

USDA Establishes New Partnerships to Link Underserved Farmers to FSA Programs

Minority, Women, New and Beginning, Military Veteran and Urban Producers to Receive Training and Information on Agency Services

USDA announced cooperative agreements with 55 partners to educate farmers and other producers that have been underserved by USDA programs historically about Farm Service Agency (FSA) programs that provide financial, disaster or technical support. Nearly \$2.5 million will go to nonprofits, associations, universities, and foundations that will provide training and information on agricultural best practices, local networking opportunities and more.

FSA, which solicited applications last fall, received nearly 100 proposals that requested over \$9 million in funding. Cooperative agreements, encompassing more than 28 states, will be between \$20,000 and \$75,000 each and several involve multi-state or national efforts. A list of awardees can be found at www.fsa.usda.gov/outreach.

FSA is accepting proposals for consideration in the second evaluation period. Applications are due no later than July 11, 2016. Projects not selected during the first evaluation period will be reconsidered during the second period. Additional information on the funding solicitation and the related FSA programs can be found at www.grants.gov using reference number USDA-FSA-CA-2016-001. For nonprofits and public institutions of higher education that are considering participation, a recording of the online informational session held with stakeholders is posted on the web at www.fsa.usda.gov/outreach.

USDA is also helping producers find an entry into farming through urban agriculture opportunities and the increasing consumer demand for locally-produced items. Under this Administration, USDA has invested more than \$1 billion in over 40,000 local and regional food businesses and infrastructure projects. USDA is committed to helping farmers, ranchers, and businesses access the growing market for local and regional foods, which was valued at \$12 billion in 2014 according to industry estimates. More information on how USDA investments are connecting producers with consumers and expanding rural economic opportunities is available in Chapter IV of <a href="USDA Results on Medium.

USDA Grants Available for Adding Value to Farm Products

USDA's Rural Development agency released the funding notice for the 2016 Value Added Producer Grant Program. The grants help farmers and ranchers add value to products. Awards may be made for either economic planning or working capital activities related to the processing and/or marketing of valued-added agricultural products. The maximum grant amount for a planning grant is \$75,000 and the maximum grant amount for a working capital grant is \$250,000. The deadline for paper applications is July 1, 2016.

The website link for the Value Added Producer Grant is listed below and will provide you with

instructions, guidance and application templates for both the planning grant and working capital grant opportunity.

http://www.rd.usda.gov/programs-services/value-added-producer-grants

Questions regarding the Value Added Producer Grant program may be directed to the following business and cooperatives loan specialists:

Eastern WA Roni Baer 509-454-5743, Ext. 134 veronica.baer@wa.usda.gov

Western WA Greg York 360-704-7729 gregory.york@wa.usda.gov

Important Dates and Deadlines

April 1 - July 1 - The primary nesting season for Washington. During this time period, prior approval of the County Committee is required to spot treat weeds by mowing, burning, or spraying after the stand is established.

May 31, 2016 – Deadline to request a commodity marketing assistance loan (MAL) or loan deficiency payment (LDP) for 2015 harvested crops of corn, dry peas, grain sorghum, lentils, mustard seed, safflower seed, chickpeas, soybeans, and sunflower seed.

June 1, 2016 - Deadline to certify conservation compliance to remain eligible for crop insurance subsidy.

Crop Acreage Reporting Dates for 2016 Crop Year

- 11/15/15 Perennial Forage
- 12/15/15 Fall Seeded Crops
- 1/15/16 Perennial Fruit, Berry and Grapes
- 7/15/16 Spring Seeded Crops, CRP

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

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).