#### December 2016



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### Washington State FSA Newsletter

#### Washington State Farm Service Agency

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## FSA Extends Voting Deadline for County Committee Elections

The Farm Service Agency has extended the deadline to vote in county committee elections. You now have until **December 13, 2016** to choose your representative for your local Farm Service Agency county committee. Ballots were mailed in early November. Return ballots to your local FSA office by the **December 13** deadline to ensure that your vote is counted.

FSA county committee members are a critical component of the day-to-day operations of FSA. They help deliver FSA farm programs at the local level. Farmers who serve on committees help decide the kind of programs their counties will

Steve Hair, Member Jesus Limon, Member Sheryl Hagen-Zakarison, Member

To find contact information for your local office go to <a href="https://www.fsa.usda.gov/xx">www.fsa.usda.gov/xx</a>

offer. They work to make FSA agricultural programs serve the needs of local producers and can settle producer appeals of FSA decisions. They also hire the County Executive Director. Many committees will be making these decisions in 2017.

In a lead up to the annual FSA county committee elections, county committee members in various parts of the state shared their committee experiences during video interviews. The video can be viewed online at <a href="https://vimeo.com/179333687">https://vimeo.com/179333687</a>.

To be an eligible voter, farmers and ranchers must participate or cooperate in an FSA program. A person who is not of legal voting age, but supervises and conducts the farming operations of an entire farm, also may be eligible to vote.

A list of candidates for FSA elections in Washington state may found <u>online</u> or obtained from your local <u>FSA office</u>. Newly elected committee members and their alternates will take office Jan. 1, 2017.

You are encouraged to get to know your committee members and what they do. Contact your <u>county</u> <u>FSA office</u> for more information or if you need a ballot. Information may also be found at the FSA website at www.fsa.usda.gov/elections.

# Deadline Approaches for Margin Protection Program for Dairy Producers (MPP-Dairy)

Dairy producers have until Friday, **December 16**, **2016** to select the 2017 calendar year coverage election for MPP-Dairy. This voluntary program, established by the 2014 Farm Bill, provides financial assistance to participating dairy farmers when the margin (the difference between the price of milk and feed costs) falls below the coverage level selected by the farmer.

You are encouraged to use the online Web resource at <a href="www.fsa.usda.gov/mpptool">www.fsa.usda.gov/mpptool</a> to calculate the best levels of coverage for your dairy operation.

Producers who were enrolled in 2016 MPP-Dairy will need to make a coverage election for 2017 and

pay the \$100 administration fee by the deadline. Any unpaid 2016 premium balances must be paid in full to be eligible for 2017 coverage.

To enroll in the Margin Protection Program for Dairy Producers (MPP-Dairy) and to select your annual coverage election, contact your <u>county FSA office</u>.

#### **Commodity Loans and Loan Deficiency Payments Available**

FSA continues to offer marketing assistance loans (MALs) and loan deficiency payments (LDPs) for 2016 crops. MALs (otherwise known as commodity loans) are a marketing tool allowing an influx of cash for operating expenses using the crop as collateral. This allows you to delay sale of the crop until more favorable conditions emerge, rather than selling the crop shortly after harvest, when prices are traditionally at their lowest.

LDPs are a direct payment made in lieu of a commodity loan, and are available when the Commodity Credit Corporation determined value (the lesser of the 30 day or 5 day average terminal market price for the crop adjusted for differentials and market adjustments) falls below the county loan rate. To be eligible for an LDP, you must have form CCC-633EZ Page 1 on file at your local county office before you lose beneficial interest in your crop.

Eligible crops for loan or LDP are barley, corn, honey, oats, grain sorghum, oilseeds (canola, crambe, flaxseed, mustard, rapeseed, safflower seed, sesame seed, soybeans, sunflower seeds), pulse crops (chickpeas, dry peas, lentils), wheat, wool, mohair and unshorn pelts located in an approved farm or warehouse storage.

National and county loan rates can be found <u>here</u>. Daily LDP rates can be found <u>here</u>. To inquire about commodity loans or LDPs, contact your <u>county FSA office</u>.

### 2017 Crop Acreage Reporting Deadlines Coming Up Quickly

Perennial forage for hay or grazing, and fall-planted crops have an acreage reporting deadline of **December 15, 2016**. Perennial forages include grass, alfalfa, birdsfoot trefoil, clover and mixed forages intended for hay or grazing. Fall-planted crops include alfalfa seed, canola, lentils, mint, onions, peas, and small grains.

Tree fruits (apples, apricots, cherries, nectarines, peaches, pears, plums), blueberries, and cranberries have an acreage reporting deadline of **January 15, 2017**.

In order to comply with FSA program eligibility requirements, all producers are encouraged to visit your local county FSA office to file an accurate and timely crop acreage report certification. Programs that require an acreage report include the Noninsured Crop Disaster Assistance Program (NAP), Livestock Forage Disaster Program (LFP), Marketing Assistance Loans (MAL), Loan Deficiency Payments (LDP), and the Agriculture Risk Coverage (ARC) and Price Loss Coverage Program (PLC).

These acreage reporting deadlines align with the Risk Management Agency and our neighboring states' acreage reporting dates.

The following exceptions apply to the above acreage reporting dates:

If the crop has not been planted by the acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is complete.

- If you acquire additional acreage after the acreage reporting date, then the acreage must be reported no later than 30 calendars days after purchase or acquiring the lease. Appropriate documentation must be provided to the county office.
- If a perennial forage crop is reported with the intended use of "cover only," "green manure," "left standing," or "seed," then the acreage must be reported by **July 15, 2017**.

Producers with NAP covered forage and/or grazing acres for the 2017 crop year must report these acres by the earlier of:

- the acreage reporting deadline of December 15, 2016
- 15 calendar days before grazing or harvesting of the 2017 crop begins.

For questions regarding crop acreage reporting deadlines, contact your county FSA office.

### 2016 Crop Production Reporting Deadline for NAP Covered Crops Nears

Annual reporting of actual harvested production is a requirement for producers who obtained Non-Insured Crop Disaster Assistance Program (NAP) coverage. To retain program eligibility for NAP covered crops, participating producers must annually report actual production to retain NAP program benefits and ensure the NAP actual production history (APH) reflects accurate yield data.

Producers of 2016 NAP covered biennial and perennial forages for hay must report actual harvested production by **December 15, 2016**. Perennial forages include grass, alfalfa, birdsfoot trefoil, clover and mixed forages intended for mechanically harvested hay.

Producers of 2016 NAP covered tree fruits (apples, apricots, cherries, nectarines, peaches, pears, plums), blueberries, and cranberries must report actual harvested production by **January 15, 2017**.

If actual harvested production for NAP covered crops is not timely submitted to your local county FSA office, NAP benefits for crop losses will not be earned and the NAP yield will begin to drop significantly, which will affect future year NAP coverage levels.

If you have any questions about production reporting or NAP payment requirements, contact your county FSA office.

### **USDA Offers Financial Incentives to Convert Biomass to Energy**

USDA announced that \$1.5 million will be available in fiscal year 2017 for farmers and foresters who harvest and deliver biomass for renewable energy. The funds are from the Biomass Crop Assistance Program (BCAP), which was reauthorized by the 2014 Farm Bill.

In fiscal year 2017, there is \$3 million total available for BCAP, half of which is for harvesting and delivering forest or agricultural residues to a USDA-approved energy facility. BCAP also provides financial assistance to farmers and ranchers who establish and maintain new crops of biomass for

energy or biobased products; additional information on the resumption of those funds will be announced at a later date.

Between Jan. 9, 2017, through **March 15, 2017**, USDA will accept applications from foresters and farmers seeking incentives to remove biomass residues from fields or national forests for delivery to energy generation facilities. The retrieval payments are provided at a match of \$1 for \$1, up to \$20 per dry ton. Eligible crops include corn residue, orchard waste or diseased or insect-infested wood materials.

To learn more about BCAP or to enroll in updates, visit <a href="www.fsa.usda.gov/bcap">www.fsa.usda.gov/bcap</a> or contact your <a href="county-bcap">county-bcap</a> or county-bcap your <a href="county-bcap">

### **USDA Expands CRP Grasslands to Small-Scale Livestock Operations**

USDA will offer a new Conservation Reserve Program (CRP) Grasslands practice specifically tailored for small-scale livestock grazing operations. Small livestock operations with 100 or fewer head of grazing dairy cows (or the Animal Unit Month equivalent) can submit applications to enroll up to 200 acres of grasslands per farm. USDA's goal is to enroll up to 200,000 acres.

The new practice for small-scale livestock producers aims, in part, to encourage greater diversity geographically and in types of livestock operation. This opportunity will close on **December 16, 2016.** Offers selected this fiscal year will be enrolled into CRP Grasslands beginning October 1, 2017.

Participants in CRP Grasslands establish or maintain long-term, resource-conserving grasses and other plant species to control soil erosion, improve water quality and develop wildlife habitat on marginally productive agricultural lands. CRP Grasslands participants can use the land for livestock production (e.g. grazing or producing hay), while following their conservation and grazing plans in order to maintain the cover. A goal of CRP Grasslands is to minimize conversion of grasslands either to row crops or to non-agricultural uses. Participants can receive annual payments of up to 75 percent of the grazing value of the land and up to 50 percent to fund cover or practices like cross-fencing to support rotational grazing or improving pasture cover to benefit pollinators or other wildlife.

USDA will select offers for enrollment based on six ranking factors: (1) current and future use, (2) new farmer/rancher or underserved producer involvement, (3) maximum grassland preservation, (4) vegetative cover, (5) environmental factors and (6) pollinator habitat.

Small livestock operations or other farming and ranching operations interested in participating in CRP Grasslands should contact your <u>county FSA office</u>. To learn more about FSA's conservation programs, visit <u>www.fsa.usda.gov/conservation</u>.

## FSA Loans Can Supply Operating Capital when Commercial Financing is Unavailable

FSA offers direct farm operating loans to producers who want to establish, maintain or strengthen your farm or ranch. FSA loan officers process, approve and service direct loans in situations when commercial financing may not be available. This could be the case for beginning farmers, traditionally underserved farmers or farmers who are experiencing economic setbacks.

Direct farm operating loans can be used to purchase livestock and feed, farm equipment, fuel, farm chemicals, insurance and other costs, including family living expenses. Also, operating loans can be used to finance minor improvements or repairs to buildings and to refinance some farm-related debts, excluding real estate.

The maximum loan amount for operating loans is \$300,000 and a down payment is not required. For farmers and ranchers who need a loan of \$50,000 or less, FSA has a microloan option with streamlined paperwork and requirements. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years. Interest rates are fixed and typically low. See <a href="here">here</a> for current rates.

Congress approves funding for FSA loan programs and the agency obligates these funds on a first-come-first-serve basis. However, the agency does maintain a separate reserve of money for beginning farmers, traditionally underserved farmers and veterans. If you are considering a loan from FSA, you are encouraged to make an appointment to meet with an FSA loan officer.

Because FSA makes direct loans using Federal money, FSA includes the requirement of not being able to obtain commercial credit. This prevents the agency from competing with commercial lenders. FSA can guarantee operating loans from commercial lenders. These guaranteed operating loans have a higher maximum amount. Currently, it is \$1,399,000.

Contact your county FSA office for more information or to apply for a direct operating loan.

### **Prevent Payment Delays or Losses by Reporting Operation Changes**

If you have bought or sold land, or if you have picked up or dropped rented land from your operation, or if there has been a death related to your farm operation, make sure you report the changes to your county FSA office as soon as possible. You need to provide a copy of your deed or recorded land contract for purchased property for any land changes. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties. Making the record changes now will save you time in the spring. Make sure to update signature authorization when changes in the operation occur.

It is your responsibility to report changes timely so that records can be kept current and accurate which may prevent loss of program benefits. Contact your <u>county FSA office</u> if you need to report changes to your operation.

### Farm Service Agency is Hiring in Washington State

The Farm Service Agency is hiring for positions in Washington. FSA is seeking applicants for program technicians in FSA county 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 <a href="website">website</a>. <a href="www.usajobs.gov">www.usajobs.gov</a>

Positions specific to FSA in Washington state can be found at <a href="https://www.usajobs.gov/JobSearch/Search/GetResults?OrganizationID=AGFA&ApplicantEligibility=All-&CountrySubDivision=Washington">https://www.usajobs.gov/JobSearch/Search/GetResults?OrganizationID=AGFA&ApplicantEligibility=All-&CountrySubDivision=Washington</a>

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

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

**Dec. 13, 2016** (New, extended deadline) – County Committee election ballots due to FSA county offices.

**Dec. 15, 2016** – 2017 crop acreage reporting deadline for perennial forage and fall-seeded crops. This includes perennial forage and grazing acres, fall-seeded alfalfa (for seed), canola, lentils, mint, onions, peas, and small grains. (**Note: For perennial forage**, this is a date change from previous years.)

**Dec. 15, 2016** – 2016 crop production reporting deadline for 2016 NAP covered perennial forage for hay, and fall seeded NAP covered crops.

Dec. 16, 2016 – Deadline to submit coverage election for the 2017 MPP-Dairy program.

Dec. 16, 2016 – Deadline to apply for Small-Scale CRP Grasslands Initiative.

Dec. 26, 2016 – FSA offices closed for Christmas holiday.

Jan. 1, 2017 – New FSA county committee members take office.

**Jan. 2, 2017** – FSA offices closed for New Year's holiday.

Jan. 9, 2017 – FSA begins taking the Biomass Crop Assistance Program (BCAP) applications.

**Jan. 15, 2017** – 2017 crop acreage reporting deadline for tree fruits (apples, apricots, cherries, nectarines, peaches, pears and plums), blueberries, and cranberries.

**Jan. 15, 2017** – 2016 crop production reporting deadline for 2016 NAP covered tree fruits (apples, apricots, cherries, nectarines, peaches, pears and plums), blueberries, and cranberries.

**Jan. 30, 2017** – Final date to submit 2016 Livestock Indemnity Program (LIP) application if a notice of loss has already been filed.

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

Happy Holidays from the Farm Service Agency in Washington state!

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).