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Washington State FSA Newsletter

Washington State Farm Service Agency

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Vacant

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

To find contact information for your local office go to www.fsa.usda.gov/wa

FSA State Executive Director Retires

FSA State Executive Director Judy Olson retired December 31, 2016. Olson led the agency in Washington State for almost eight years. Her tenure capped a long career of service to agriculture in which she served as president to the state and national wheat grower organizations, worked as U.S. Senator Patty Murray's Eastern Washington Director and continued the job she was most proud of – a fourth generation farmer.

Production Reporting Deadlines for NAP Covered Tree Fruits, Blueberries and Cranberries

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 tree fruits (apples, apricots, cherries, nectarines, peaches, pears, and 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.

Minimizing Weather-Related Losses

Winter weather poses risks for crop and livestock producers. Farmers and ranchers are reminded to report weather-related damage or losses to your <u>county FSA office</u>. FSA uses damage reports to evaluate the need for disaster designations that could trigger financial resources to assist with repairs.

If you have failed acres, use form CCC-576 (Notice of Loss), to report your failed acres. Losses on crops covered by NAP, you must file a Notice of Loss within 15 days of the occurrence of the disaster or when losses become apparent. Producers must timely file a Notice of Loss for failed acres on all crops including grasses.

Floods are one of the more common natural disasters in late winter and early spring in Washington. USDA agencies in the state have an online resource to help you prevent, respond to and repair flood damage on your land. https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/State-Offices/Washington/resources/pdfs/floodbrochure_web2016.pdf.

USDA Expands Farm Loans for Native Americans Farming and Ranching on Tribal Land

Department Awards First Loan Under Highly Fractionated Indian Land Program

USDA has approved and obligated the first loan under the Highly Fractionated Indian Land Loan program (HFIL). The program, made possible by the 2014 Farm Bill, provides revolving loan funds to qualified intermediary lenders, allowing qualified tribes and individuals the ability to purchase tribal farmland that has multiple owners.

The first recipient, the Native American Community Development Corporation Financial Services, Inc. (NACDCFS) of Browning, Mont., will lend funds directly to tribal members through a \$10 million intermediary HFIL loan from USDA's Farm Service Agency (FSA). NACDCFS addresses critical needs in Native American communities related to the growth of family assets, supports economic development, and enhances the quality of life for communities and residents located on or near

Montana's seven Indian reservations. NACDCFS provides one-on-one technical assistance to Native American entrepreneurs and agricultural producers. NACDCFS is a 501(c) (3), certified Native Community Development Financial Institution (CDFI), through the U.S. Department of Treasury.

Under the <u>1887 Dawes Act</u>, Indian reservation land was divided and allotted to individual tribal members such that with the passing of each generation, title ownership was divided and parceled among heirs, while the land was not. As a result, land once owned by a single person could today be owned by hundreds or thousands of individuals, resulting in what is known as "highly fractionated Indian land." In many instances, landowners are unknown or cannot be located, which complicates the coordination of ownership or prevents the use of the property altogether. There are more than 245,000 owners of three million fractionated land interests, spanning approximately 150 Indian reservations.

Under HFIL, tribes and tribal members can submit an application directly to an intermediary lender. To participate, intermediary lenders first must be approved by USDA. The lenders may be private and tribal nonprofit corporations, public agencies, Indian tribes or lenders subject to federal or state regulation (such as a credit union or other financial institution). FSA will lend to the intermediary, which will relend to the applicant. The intermediary lender also will administer the loan for the applicant.

For more information on the program, visit www.fsa.usda.gov/farmloans or contact your county FSA office.

NRCS Warns Landowners and Operators about SAM Renewal Notice Scam

The Natural Resources Conservation Service (NRCS) has received notices that landowners/operators have received solicitations from unknown sources concerning SAM registration renewals. The solicitations have been received via email, text, phone calls, or other formats to entity producers with a reminder to renew their SAM registration. They appear to be "scam" solicitations. However, the solicitations are from private companies that have searched the privately operated DUNS database and obtained the SAM cage code and expiration date.

There is nothing to prohibit this activity because it is information the public may access or purchase from DUNS. The solicitation is intended to allow the entity to renew their registration for a fee.

NRCS would like to remind landowners that SAM registration is free, and they should not be required to pay a fee.

For more information, please refer to the NRCS SAM/DUNS fact sheet.

FSA Loan Funds Available

Each year Congress appropriates money for FSA farm loans as part of the USDA budget. This is the amount FSA has to make loans between October 1 of one year and September 30 of the following year. Despite being under a Continuing Resolution, which is a partial-year budget, FSA does have loan funds available for farmers and ranchers.

FSA loans may be used for farm operating expenses or to purchase a farm, enlarge an existing farm, construct new farm buildings and/or improve structures, pay closing costs, and promote soil and water conservation and protection.

The maximum loan amount for direct 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 here for current rates.

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.

Farmers may apply for direct loans at local FSA offices. Guaranteed loans may be available from commercial lenders who apply for loan guarantees from FSA.

FSA reserves loan money for two specific categories: under-represented groups and beginning farmers. The law requires FSA to reserve or target a portion of its direct and guaranteed operating and farm ownership loan funds for use exclusively by socially disadvantaged applicants (SDA). SDAs are classified in one or more of the following categories: women, African Americans, Native Americans, Alaskan Natives, Hispanics, Asians, and Pacific Islanders.

The law also requires FSA to reserve or target loan funds for exclusive use by beginning farmers. Funds remain targeted for beginning farmers in the guaranteed programs until April 1 of each fiscal year. In the direct programs, funds are targeted for beginning farmers until September 1 of each fiscal year.

Even when money has run out for a loan program, FSA still accepts, processes, and approves loan applications. Approved loans are held until money becomes available. Loans are funded in date order, based on the date that the application was received. Submitting an application sets your place in the waiting line for funds, so it is to your advantage to apply for a loan even when there is no money available.

Please contact your FSA <u>county office</u> for more information or to apply for a direct farm ownership or 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.

Important Dates and Deadlines

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. 17, 2017 – 2017 crop acreage reporting deadline for tree fruits (apples, apricots, cherries, nectarines, peaches, pears and plums), blueberries, and cranberries.

Jan. 17, 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 <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).