#### December 2017





# Farm Service Agency Electronic News Service

# NEWSLETTER

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# Washington State FSA Newsletter

# Washington State Farm Service Agency

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State Executive Director:
Brian Dansel

State Committee: Don Olmstead Jr., Chair

# Trump Administration Appoints Brian Dansel to Serve as State Executive Director for Farm Service Agency

The Trump Administration recently appointed Brian Dansel as the new State Executive Director (SED) for the USDA Washington Farm Service Agency (FSA). Dansel is a lifelong resident of the eastern Washington town of Republic. He joined the Washington FSA team on Sept. 11.

Dansel served as a Ferry County Commissioner before being elected to the Washington State Senate in 2013. As former Vice Chair of both the Senate Natural Resources Committee, as well as the Senate Agriculture Committee, he has been a vocal advocate of

Larry DeHaan, Member Jesus Limon, Member agriculture and the role it plays in Washington State's diverse economy.

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

The Farm Service Agency serves farmers, ranchers and agricultural partners through the delivery of effective, efficient agricultural programs. The agency offers farmers a strong safety net through the administration of farm commodity and disaster programs. FSA continues to conserve natural resources and also provides credit to agricultural producers who are unable to receive private, commercial credit, including special emphasis on beginning, underserved and women farmers and ranchers.

Under the direction of Secretary Sonny Perdue, the USDA will always be facts-based and data-driven, with a decision-making mindset that is customer-focused. Secretary Perdue leads the USDA with four guiding principles: to maximize the ability of American agriculture to create jobs, sell foods and fiber, and feed and clothe the world; to prioritize customer service for the taxpayers; to ensure that our food supply is safe and secure; and to maintain good stewardship of the natural resources that provide us with our miraculous bounty. And understanding that we live in a global economy where trade is of top importance, Secretary Perdue has pledged to be an unapologetic advocate for American agriculture.

As SED, Dansel will use his leadership experience to oversee FSA programs in a customer-focused manner to ensure a safe, affordable, abundant and nutritious food supply for consumers.

# Vote for Your County Representative – Last Day December 4!

USDA Farm Service Agency (FSA) county committee elections are underway throughout the state. The last day to return completed ballots to your <u>county FSA office</u> is December 4, 2017.

It is important that every eligible producer participate in these elections because FSA county committees are a link between the agricultural community and the USDA. By voting, you demonstrate that local input on federal farm programs is important.

County committee members are a critical component of FSA operations. Committees should be comprised of members who reflect the diversity of producers involved in production agriculture. This means that producers representing underserved groups or communities should be on the committee to speak on behalf of their constituency.

Underserved producers are beginning, women and other minority farmers and ranchers and land owners and/or operators who have limited resources. Other minority groups including Native American and Alaska Natives; persons under the poverty level, and persons that have disabilities are also considered underserved.

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, may also be eligible to vote.

A list of candidates for FSA elections in Washington state may be 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, 2018.

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

# Deadline Approaches for 2018 Dairy Margin Protection Program Coverage

#### **Secretary Allows Producers to Opt Out**

Dairy producers have until December 15, 2017 to enroll for 2018 coverage in the Margin Protection Program (MPP-Dairy). Secretary Sonny Perdue has utilized additional flexibility this year by providing dairy producers the option of opting out of the program for 2018.

To opt out, do not sign up during the annual registration period. By opting out, you will not receive any MPP-Dairy benefits if payments are triggered for 2018. The opt-out decision is for 2018 only and is not retroactive.

The voluntary program, established by the 2014 Farm Bill, provides financial assistance to participating dairy producers when the margin – the difference between the price of milk and feed costs – falls below the coverage level selected by the producer.

MPP-Dairy gives participating dairy producers the flexibility to select coverage levels best suited for your operation. Participating farmers will remain in the program through Dec. 31, 2018, and pay a minimum \$100 administrative fee for 2018 coverage. You have the option of selecting a different coverage level from the previous coverage year during open enrollment.

Dairy operations enrolling in the program must meet conservation compliance provisions and cannot participate in the Livestock Gross Margin Dairy Insurance Program. You may mail the appropriate form to your administrative county FSA office, along with applicable fees, without necessitating a trip to the local FSA office. If electing higher coverage for 2018, you can either pay the premium in full at the time of enrollment or pay 100 percent of the premium by September 1, 2018. Premium fees may be paid directly

to FSA or you can work with your milk handlers to remit premiums on their behalf.

USDA has a web tool to help you determine the level of coverage under the MPP-Dairy that will provide you with the strongest safety net under a variety of conditions. The online resource, available at <a href="https://www.fsa.usda.gov/mpptool">www.fsa.usda.gov/mpptool</a>, allows you to quickly and easily combine unique operation data and other key variables to calculate your coverage needs based on price projections. You can also review historical data or estimate future coverage based on data projections. The secure site can be accessed via computer, Smartphone, tablet or any other platform, 24 hours a day, seven days a week.

For more information, visit FSA online at <a href="https://www.fsa.usda.gov/dairy">www.fsa.usda.gov/dairy</a> or stop by your local FSA office to learn more about the MPP-Dairy.

### 2018 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, 2017**. 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), grapes, blueberries, and cranberries have an acreage reporting deadline of **January 15, 2018**.

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, 2018**.

Producers with NAP covered forage and/or grazing acres for the 2018 crop year must report these acres by the earlier of:

the acreage reporting deadline of December 15, 2017

15 calendar days before grazing or harvesting of the 2018 crop begins.

For questions regarding crop acreage reporting deadlines or to make an appointment, contact your county FSA office.

### **Policy for Acreage Reporting**

The USDA Farm Service Agency (FSA) made several policy updates for acreage reporting for cover crops, revising intended use, late-filed provisions, grazing allotments as well as updated the definitions of "idle" and "fallow."

#### **Reporting Cover Crops:**

FSA made changes to the types of cover crops. Cover crop types can be chosen from the following four categories:

- Cereals and other grasses Any cover crop that is classified as a grass plant or cereal
  grain, and would include, but not be limited to, the following cover crops: cereal rye, wheat,
  barley, oats, black oats, triticale, annual ryegrass, pearl millet, foxtail millet (also called
  German, Italian or Hungarian millet), sorghum sudan grass, sorghum and other millets and
  grasses.
- Legumes Any cover crop that is classified as a legume, including, but not limited to, clovers, vetches, peas, sun hemp, cowpeas, lentils and other legumes.
- Brassicas and other broadleaves Any cover crop that is classified as a non-legume broadleaf, including, but not limited to, Brassicas such as radishes, turnips, canola, rapeseed, oilseed rape, and mustards, as well as other broadleaf plants such as phacelia, flax, sunflower, buckwheat, and safflower.
- Mixtures Mixes of two or more cover crop species planted at the same time, for example, oats and radishes.

If the cover crop is harvested for any use other than forage or grazing and is not terminated according to policy guidelines, then that crop will no longer be considered a cover crop and the acreage report must be revised to reflect the actual crop.

#### Permitted Revision of Intended use After Acreage Reporting Date:

New operators or owners who pick up a farm after the acreage reporting deadline has passed and the crop has already been reported on the farm, have 30 days to change the intended use. Producer share interest changes alone will not allow for revisions to intended use after the acreage reporting date. The revision must be performed by either the acreage reporting date or within 30 calendar days from the date when the new operator or owner acquired the lease on land, control of the land or ownership and new producer crop share interest in the previously reported crop acreage. Under this policy, appropriate documentation must be provided to the County Committee's satisfaction to determine that a legitimate operator or ownership and producer crop share interest change occurred to permit the revision.

#### **Acreage Reports:**

In order to maintain program eligibility and benefits, you must timely file acreage reports. Failure to file an acreage report by the crop acreage reporting deadline may result in ineligibility for future

program benefits. FSA will not accept acreage reports provided more than a year after the acreage reporting deadline.

#### **Reporting Grazing Allotments:**

FSA offices can now accept acreage reports for grazing allotments. Use form "FSA-578" to report grazing allotments as animal unit months (AUMs) using the "Reporting Unit" field. The local FSA office will need the grazing period start and end date and the percent of public land.

#### **Definitions of Terms:**

FSA defines "idle" as cropland or a balance of cropland within a Common Land Unit (CLU) (field/subfield) which is not planted or considered not planted and does not meet the definition of fallow or skip row. For example, the balance of a field that could not be planted due to moisture or a turn area that is not planted would be reported as idle.

Fallow is considered unplanted cropland acres which are part of a crop/fallow rotation where cultivated land that is normally planted is purposely kept out of production during a regular growing season. Resting the ground in this manner allows it to recover its fertility and conserve moisture for crop production in the next growing season.

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

# 2017 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 2017 NAP covered biennial and perennial forages for hay must report actual harvested production by **December 15, 2017**. Perennial forages include grass, alfalfa, birdsfoot trefoil, clover and mixed forages intended for mechanically harvested hay.

Producers of 2017 NAP covered tree fruits (apples, apricots, cherries, nectarines, peaches, pears, plums), blueberries, and cranberries must report actual harvested production by **January 15, 2018**.

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.

## **Enrollment Period Opens for Safety Net Coverage in 2018**

Farmers and ranchers with base acres in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) safety net program may enroll for the 2018 crop year. The enrollment period will end on **August 1, 2018**.

Since shares and ownership of a farm can change year-to-year, producers must enroll by signing a contract each program year.

The producers on a farm that are not enrolled for the 2018 enrollment period will not be eligible for financial assistance from the ARC or PLC programs for the 2018 crop should crop prices or farm revenues fall below the historical price or revenue benchmarks established by the program. Producers who made their elections in previous years must still enroll during the 2018 enrollment period.

The ARC and PLC programs were authorized by the 2014 Farm Bill and offer a safety net to agricultural producers when there is a substantial drop in prices or revenues for covered commodities. Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium grain rice (which includes short grain and sweet rice), safflower seed, sesame, soybeans, sunflower seed and wheat. Upland cotton is no longer a covered commodity. For more details regarding these programs, go to www.fsa.usda.gov/arc-plc.

For more information, contact your county FSA office.

### **FSA Guarantees Expand Availability of Credit**

Your USDA Farm Service Agency not only provides direct loan assistance to farmers, we also work with your local commercial lenders with our Guaranteed Farm Loan programs. Because of this guarantee, commercial lenders are more likely to make financing available in the high-risk agricultural business.

FSA's Guaranteed Farm Loan programs help family farmers and ranchers to obtain loans from USDA-approved commercial lenders at reasonable terms to buy farmland or to finance agricultural production. Financial institutions receive additional loan business as well as benefit from the safety net the FSA provides by guaranteeing farm loans up to 95 percent against possible financial loss of principal and interest. Guaranteed loans can be for either operating expenses or farm purchase. An advantage for farmers is the maximum guaranteed loan is \$1,399,000, which is considerably higher than FSA's direct loans.

The EZ Guarantee Program is available for smaller loans. This program provides a simplified Guaranteed Loan application process to help small, new or underserved family farmers with early financial assistance. The EZ Guarantee is available for loan applications up to \$100,000 for farm operating or farm ownership purposes. Lenders need only submit one application form per loan request containing all necessary information for the application. In addition, streamlined financial underwriting is available for these loans, allowing all approved lenders to analyze the request in the same manner in which they would analyze a nonguaranteed loan request of the same size and type. All existing eligibility, loan purpose, security, and other requirements remain the same.

If you have any questions concerning FSA Direct loans or FSA Guaranteed loans, please contact your county FSA office.

For more information on FSA farm loan programs, visit www.fsa.usda.gov.

### **Pause in CRP Signups Continues**

Earlier this year, FSA paused CRP signup as a result of the national acreage nearing the acreage cap set by the 2014 Farm Bill. The pause in enrollment applies to regular Continuous CRP, the Highly Erodible Land Initiative (HELI) and State Acres for Wildlife Enhancement (SAFE) contracts. It does not apply to the Conservation Reserve Enhancement Program (CREP). CREP offers will continue to be accepted regardless of the date received or the proposed start date.

We do not expect word on a general CRP signup in Fiscal Year 2018 until after the beginning of the calendar year.

For more information, contact your county FSA office.

# 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**

**Dec. 4, 2017** – County Committee election ballots due to FSA county offices.

**Dec. 15, 2017** – 2018 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, 2017** – 2017 crop production reporting deadline for 2017 NAP covered perennial forage for hay, and fall seeded NAP covered crops.

Dec. 15, 2017 – Deadline to submit coverage election for the 2018 MPP-Dairy program.

Dec. 25, 2017 – FSA offices closed for Christmas holiday.

Jan. 1, 2018 – New FSA county committee members take office.

Jan. 1, 2018 – FSA offices closed for New Year's holiday.

**Jan. 15, 2018** – 2018 crop acreage reporting deadline for tree fruits (apples, apricots, cherries, nectarines, peaches, pears and plums), blueberries, and cranberries.

**Jan. 15, 2018** – 2017 crop production reporting deadline for 2017 NAP covered tree fruits (apples, apricots, cherries, nectarines, peaches, pears and plums), blueberries, and cranberries.

Jan. 30, 2018 – Final date to submit 2017 Livestock Indemnity Program (LIP) notice of loss.

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.

Happy Holidays from the Farm Service Agency in Washington state!

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