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United States Department of Agriculture



Farm Service Agency Electronic News Service

NEWSLETTER

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Washington State FSA Newsletter

Washington State Farm Service Agency

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MPP-Dairy Enrollment Reopens – Deadline Nears

The Farm Service Agency encourages dairy producers to consider enrolling in the new and improved <u>Margin Protection Program for</u> <u>Dairy</u> (MPP-Dairy), which will provide better protections for dairy producers from shifting milk and feed prices. With changes authorized under the Bipartisan Budget Act of 2018, the U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) has set the enrollment period to run until **June 1, 2018.**

The program protects dairy producers by paying them when the difference between the national all-milk price and the national

State Committee:

Melanie Wyss, Chair Jesus Limon, Member Maureen Harkcom, Member Bruce Nelson, Member Robyn Meenach, Member

To find contact information for your local office go to www.fsa.usda.gov/wa average feed cost (the margin) falls below a certain dollar amount elected by the producer.

Changes include:

- Calculations of the margin period is monthly rather than bimonthly.
- Covered production is increased to 5 million pounds on the Tier 1 premium schedule, and premium rates for Tier 1 are substantially lowered.
- An exemption from paying an administrative fee for limited resource, beginning, veteran, and disadvantaged producers. Dairy operators enrolled in the previous 2018 enrollment period that qualify for this exemption under the new provisions may request a refund.

Dairy operations must make a new coverage election for 2018, even if you enrolled during the previous 2018 signup period. Coverage elections made for 2018 will be retroactive to January 1, 2018. All dairy operations desiring coverage must sign up during the enrollment period and submit an appropriate form (CCC-782) and dairy operations may still "opt out" by not submitting a form. All outstanding balances for 2017 and prior years must be paid in full before 2018 coverage is approved.

Dairy producers can participate in FSA's MPP-Dairy or the Risk Management Agency's Livestock Gross Margin Insurance Plan for Dairy Cattle (LGM-Dairy), but not both. During the 2018 enrollment period, only producers with an active LGM-Dairy policy who have targeted marketings insured in 2018 will be allowed to enroll in MPP-Dairy by June 1, 2018. However, your coverage will start only after active target marketings conclude under LGM-Dairy.

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, <u>www.fsa.usda.gov/mpptool</u>, allows dairy farmers 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.

USDA is mailing postcards advising dairy producers of the changes. For more information, visit <u>www.fsa.usda.gov/dairy</u> or contact your <u>local USDA service center</u>.

FSA Gives Options for Expiring CRP Land Preparation

Producers with Conservation Reserve Program (CRP) contracts that expire this September can request approval to destroy the

cover earlier than this fall in order to return the land to production. Only land in general CRP is eligible. Acreage within 120 feet of a water body is excluded. Any cover destruction prior to October 1 must receive prior FSA approval before it begins.

If you will be planting a fall-seeded crop this year, you can destroy the cover as early as May 1. If you will be planting a spring-seeded crop next year, you can destroy the CRP cover by any means as early as July 1 this year.

Cover destruction occurring May 1 – June 30 is limited to herbicide applications, or mowing plus herbicide applications. Starting July 1, other forms of cover destruction can be used. An NRCS plan may be required depending on the land.

If you choose to destroy cover prior to the end of your contract, your payment will be reduced by the amount of time between when the cover is destroyed and the end of the contract. For example, if you destroy the cover on May 1, you will lose your 2018 payment on the impacted acres for the period May 1 – September 30.

Contact your local county <u>FSA office</u> on specifics applicable to your contract and to initiate an application for this activity.

FSA Offers Tool to Connect Transitioning Expiring CRP Land to Beginning, Veteran or Underserved Farmers and Ranchers

Retired or retiring landowners or operators are encouraged to transition their Conservation Reserve Program (CRP) acres to beginning, veteran or underserved farmers or ranchers through the Transition Incentives Program (TIP). TIP provides annual rental payments to the retiring farmer for up to two additional years after the CRP contract expires, provided the transition is not to a family member.

The Farm Service Agency has an online tool to assist the connection of farmers exiting from the Conservation Reserve Program and beginning farmers looking for land to farm. TIPNet is an FSA website for beginning farmers or retiring farmers to register so they can connect with one another and enroll in TIP.

https://www.fsa.usda.gov/online-services/haynet-tipnet/index

There is a one-time, free registration process that should be completed by all users who want to post an ad online. The registration process sets up a secure account using an eAuthentication user id. County Office FSA staff can assist with eAuthentication registration.

Users just wishing to browse ads do not need to have an eAuthentication user id.

Enrollment in TIP is on a continuous basis. Beginning, veteran or underserved farmers and ranchers and retiring CRP participants may enroll in TIP beginning one year before the expiration date of the CRP contract or Aug. 15. For example, if a CRP contract is scheduled to expire on Sept. 30, 2018, the land may be offered for enrollment in TIP through Aug. 15, 2018. The Aug. 15 deadline allows the Natural Resources Conservation Service (NRCS) time to complete the TIP

sustainable grazing or crop production conservation plans. The TIP application must be submitted prior to completing the lease or sale of the affected lands.

New landowners or renters must return the land to production using sustainable grazing or farming methods.

For more information on TIP, visit https://www.fsa.usda.gov/conservation.

CRP Contracts Require Mid-Contract Management

Conservation Reserve Program contract holders are required to do mid-contract management approximately in year six of a 10-year CRP contract to maintain the health of the CRP stand. This can be spraying, mowing, light tillage, burning, etc. Refer to your contract or contact your county <u>FSA office</u> to check the requirements of your contract.

It is a good idea to periodically inspect your CRP for weeds or stand deterioration. You are responsible to establish the stand you agreed to in your CRP offer and maintain it throughout the contract period. Remember, a CRP problem discovered by a FSA inspection rather than you can result in payment reductions or even contract termination. Prevent this situation by maintaining a healthy CRP stand.

Primary Nesting Season Influences CRP Maintenance

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 where the cover is considered established. This generally happens 1-2 years after planting. If your stand is not considered established, 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. Contact your county <u>FSA office</u> if you have any questions regarding CRP maintenance.

Beginning Farmer and Rancher Loans

While FSA is fully committed to all farmers and ranchers, there is a special focus on the particular credit needs of farmers and ranchers who are in their **first 10 years of operation**. Each year, FSA targets a portion of its lending by setting aside a portion of all loan funds for financing beginning farmer and rancher operations. With the single exception of the Direct Farm Ownership Down

Payment Loan, the Beginning Farmer classification is not related to a type of loan program; it references a specific targeted funding source.

A beginning farmer is defined as one who:

- Has not operated a farm or ranch for more than 10 years
- Does not own a farm or ranch greater than 30 percent of the average size farm in their county
- Meets the loan eligibility requirements of the program to which he/she is applying
- Substantially participates in the operation.

If you have any questions, please contact your local county FSA office.

Deadline for 2017 Commodity Loans

Farmers and landowners with 2017 crops in approved warehouse or farm storage that need an influx of cash for spring expenses can request a marketing assistance loan (MAL) and use the stored crop as collateral for the loan. Marketing Assistance Loans (otherwise known as commodity loans) are a marketing tool that enables you to obtain a short-term loan, allowing delay of crop sales until more favorable marketing conditions emerge. Commodity loans mature nine months after the month the loan is approved and funds are disbursed.

The final date to request a commodity loan on stored 2017 crops of corn, dry peas, lentils, chickpeas, mustard seed, safflower seed, sunflower seed, soybeans, and grain sorghum is **May 31**, **2018.** To inquire about commodity loans and interest rates, contact your county <u>FSA office</u>.

Crop Acreage Reporting Follows Spring Planting

Once all your spring crops are planted, you are encouraged to visit your county <u>FSA office</u> to file an accurate crop acreage certification report by the applicable deadline. Acreage reporting is necessary to comply with FSA program eligibility requirements. The upcoming crop acreage reporting deadlines are as follows:

- May 15, 2018 Cabbage planted March 14 to April 20, 2018.
- July 15, 2018 Spring planted crops, including cabbage planted April 20 to June 10, 2018, onions planted March 14 to April 20, 2018, and CRP acres.
- August 15, 2018 Buckwheat, cabbage planted June 11 to August 10, 2018 If your crop acres have not been planted by the above acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is completed. If you acquire additional acreage after the above acreage reporting date, then the acreage must be reported no later than 30 calendar days after purchase or acquiring the lease. Appropriate documentation of the purchased or leased acreage must be provided to the county office. For perennial forage crops reported with the intended use of "cover only," "green manure," or "left standing" the acreage must be reported by July 15.

FSA offices now accept acreage reports for grazing allotments. Use form FSA-578 to report grazing allotments as animal unit months (AUMs). The local FSA office will need a copy of your grazing agreement so FSA can record the allotted animal units (AU), grazing period start/end date and the percent of public land.

Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that an acreage report for any covered crop must be filed at least 15 calendar days before grazing or harvesting of the crop begins.

For questions regarding crop acreage reports or deadlines, please contact your county FSA office.

Acreage Reporting Guidelines for Organic Crops

If you have crop acreages with a certified organic status, please ensure you specify these organic acres when filing your annual crop acreage report. This is important for producers who requested Noninsured Crop Disaster Assistance Program (NAP) coverage and selected the organic pricing option. When certifying organic acres, the buffer zone acreage must be included in the organic acreage. You will need to provide a current organic plan, organic certificate or documentation from a certifying agent indicating an organic plan is in effect. Documentation must include:

- name of certified individuals
- address
- telephone number
- effective date of certification
- certificate number
- list of commodities certified
- name and address of certifying agent
- a map showing the specific location of each field of certified organic, including the buffer zone acreage. Certification exemptions are available for producers whose annual gross agricultural income from organic sales totals \$5,000 or less. Although exempt growers are not required to provide a written certificate, they are still required to provide a map showing the specific location of each field of certified organic, transitional and buffer zone acreage. For questions about reporting organic crops, contact your county <u>FSA office</u>.

Cover Crop Guidelines

The Farm Service Agency, Natural Resources Conservation Service and Risk Management Agency worked together to develop a consistent, simple and flexible policy for cover crop practices.

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.

Reporting:

The intended use of "cover only" will be used to report cover crops. This includes crops that were terminated by tillage and reported with an intended use code of green manure. A FSA policy change allows cover crops to be hayed and grazed. Program eligibility for the cover crop that is being hayed or grazed will be determined by each specific program.

If the crop reported as "cover only" is harvested for any use other than forage or grazing and is not terminated properly, then that crop will no longer be considered a cover crop.

Crops reported with an intended use of "cover only" will not count toward the total cropland on the farm. In these situations, a subsequent crop must be reported to account for all cropland on the farm.

Cover crops include grasses, legumes, and forbs for seasonal cover and other conservation purposes. Cover crops are primarily used for erosion control, soil health Improvement, and water quality improvement. The cover crop may be terminated by natural causes, such as frost, or intentionally terminated through chemical application, crimping, rolling, tillage or cutting. A cover crop managed and terminated according to NRCS cover crop termination guidelines is **not** considered a crop for crop insurance purposes.

Cover crops can be planted with no subsequent crop planted, before a subsequent crop, after prevented planting acreage, after a planted crop, or into a standing crop.

NRCS's cover crop termination guidelines provide the timeline for terminating cover crops, and are based on zones and apply to non-irrigated cropland. To view the zones and additional guidelines visit https://www.nrcs.usda.gov/wps/portal/nrcs/main/national/landuse/crops/ and click "Cover Crop Termination Guidelines."

Reporting Damaged, Lost or Prevented Planting Crop Acres

Do you have a crop or crops that were damaged or lost due to severe weather conditions? If the crop is insured, your first priority is to contact your insurance agent. They will assist you in filing a notice of loss. If the crop is covered by the Non-Insured Crop Disaster Assistance Program (NAP), you must file a notice of loss with your local county <u>FSA office</u> within 15 days after the disaster occurrence or date the loss or damage to the crop first becomes apparent, or no later than 15 days after the crop is harvested. Producers of hand-harvested crops must notify FSA of damage or loss within 72 hours of the weather event.

You will need to identify the affected acreage for each weather-related event that caused damage or loss. Replanting failed crop acres are required, if it is customary for the area and the final planting date for the crop has not passed. What you do with the crop after the damaging event can impact your eligibility for NAP assistance. If you choose not to harvest the crop, the acres must be left intact until an appraisal is completed and the acres have been released. If you elect to harvest the crop, you must provide acceptable documentation of the harvested production.

As you begin your spring planting, you may experience conditions that restrict or even prevent you from planting crop acres. FSA and Risk Management Agency final planting dates are established to provide an adequate growing season in which you should expected normal yields for the planted crop. If you are not able to physically plant your spring crops during the established planting period,

you may qualify for prevented planting credit. Prevented planting of insured crops must be timely reported to your insurance agent. Also filing a similar claim with FSA is helpful as the two agencies typically work together when acreages need to be verified.

Prevented planted NAP covered crops must be reported to your county <u>FSA office</u> within 15 calendar days after the final planting date for the crop. Failing to meet this requirement can greatly affect your potential NAP payment. Prevented planting claims require site verification that an approved disaster condition prevented the planting. You will need to provide documentation showing that a natural disaster prevented the planting and that you made necessary preliminary efforts to plant the crop. You should be prepared to demonstrate that seed, fertilizer, equipment, and labor were available to complete the seeding.

To learn more about filing a notice of loss or prevented planting claim, contact your county <u>FSA</u> office.

Important Dates and Deadlines

May 28, 2018 – Memorial Day. USDA service centers will be closed.

May 31, 2018 – Final date to request a 2017 crop Marketing Assistance Loan (MAL) for corn, dry peas, grain sorghum, lentils, mustard seed, rice, safflower seed, chickpeas, soybeans, and sunflower seeds.

June 1, 2018 – Deadline for MPP-Dairy Enrollment.

April 1- July 1, 2018 – Primary nesting season. During this time, prior approval from the County Committee is required before spot-treating weeds by mowing, burning or spraying after a CRP stand is established.

July 4, 2018 – USDA Service Centers closed in commemoration of Independence Day.

July 15, 2018 – Final date to report 2017 production for ARC/IC programs.

July 15, 2018 – Final acreage reporting date for spring-seeded crops. (See article above)

August 1, 2018 - Deadline for ARC/PLC enrollment.

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).