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Farm Service Agency Electronic News Service

NEWSLETTER

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Washington State FSA Newsletter

Washington State Farm Service Agency

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Melanie Wyss, Chair Jesus Limon, Member Robyn Meenach, Member

October Priorities for FSA Staff

The majority of FSA program payments commence in October. FSA staff in county offices will be focused on processing payments. Additionally, staff may be experiencing heavier than normal workload this October due to the Market Facilitation Program. This may affect how quickly staff will be able to process other business, with the exception of farm loans. We realize producers rely on receiving payments timely and appreciate your patience.

County Committee Elections

USDA Farm Service Agency (FSA) county committee elections are underway in the state.

Elections are conducted in each county for representatives of Local Administrative Areas (LAA). A listing of the current makeup of each county committee can be found <u>www.fsa.usda.gov/wa</u>, or you can

Maureen Harkcom, Member Bruce Nelson, Member	check with your local FSA office. Biographies of each eligible candidate should be sent out shortly by your office via GovDelivery.
To find contact information for your local office go to <u>www.fsa.usda.gov/wa</u>	County committee members area critical component of FSA operations. Committees should be comprised of members who reflect the diversity of producers involved in production agricultural in their counties. This means that producers representing underserved groups of communities should be on the committee to speak on behalf of their constituency.
	Ballots will be mailed November 5, 2018 and must be postmarked back by December 3, 2018. Newly elected members will start their term January 1, 2019.

Check Crop Risk Protection Before Fall Deadlines

The USDA Farm Service Agency (FSA) reminds producers to review available USDA crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the fall-seeded crop application deadline of **November 20, 2018** for 2019 crops.

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters for crops that do not have a permanent federal crop insurance program available. The following crops in Washington have a NAP application deadline of **November 20, 2018**:

- All perennial crops not listed under the 9/30 category (see <u>www.fsa.usda.gov/wa</u> for complete list)
- asparagus;
- berries;
- grapes;
- honey;
- hops;
- tree fruits or nuts.

You may use a free online tool www.fsa.usda.gov/nap to determine whether your crops are eligible for federal crop insurance or NAP. For the 2019 crop coverage year, NAP basic coverage is available at 55 percent of the approved NAP price for crop losses that exceed 50 percent of expected production, with the option to select organic price coverage for those crops being grown with an organic certification. NAP coverage can be obtained for a service fee of \$250 per crop, up to \$750 per county, not to exceed \$1,875 for multi-county producers. Traditionally underserved producers, beginning farmer/ranchers, or limited resource producers can report this status on form CCC-860 to request a waiver of the NAP service fee.

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at USDA's online Agent Locator: <u>http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#</u>. Producers can use the USDA Cost Estimator, <u>https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx</u>, to predict insurance premium costs.

For more information on NAP, service fees, and coverage deadlines, contact your <u>county FSA</u> <u>office</u>.

Market Facilitation Program

USDA has launched the trade mitigation package aimed at assisting farmers suffering from damage due to market disruptions. Under this package, the Farm Service Agency (FSA) will administer the Market Facilitation Program (MFP) to provide payments to corn, cotton, dairy, hogs, sorghum, soybean, and wheat producers. More recently, fresh sweet cherries and almonds have been added to the program.

Eligible producers should apply after harvest is complete, as payments will only be issued once production is reported. Dairy payments will be based on producer's milk base under the Market Protection Program (MPP). A payment will be issued on 50% of the producer's total production, multiplied by the MFP rate for a specific commodity. A second payment, if warranted, will be determined by USDA in December. If a second payment is approved, it will apply to the second 50% of the producer's production.

Market Facilitation Program Payment Rates

Cotton	\$0.06/lb.	
Corn	\$0.01/bu.	
Dairy (milk)	\$0.12/cwt.	
Fresh Sweet Cherries	\$0.16/lb	
Pork (hogs)	\$8.00/head	
Shelled Almonds	\$.03/lb	
Soybeans	\$1.65/bu.	
Sorghum	\$0.86/bu.	
Wheat	\$0.14/bu.	
*Initial payment rate on 50% of production		

To be eligible for a payment, producers must have a timely filed 2018 acreage report. If a timely 2018 acreage report was not filed, and "lated-filed" report may be accepted, but a fee for processing the report, and a field visit to verify the crop, must be paid.

Producers of eligible crops, excluding cherries and almonds, must also be determined "actively engaged in farming." MFP payments are limited to a combined \$125,000 for corn, cotton, sorghum, soybeans, and wheat capped per person or legal entity. A separate \$125,000 payment limit applies to dairy and hogs, and a third \$125,000 limit applies to cherries and almonds. Applicants must also have an average adjusted gross income (AGI) for tax years 2014, 2015, and 2016 of less than \$900,000. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations. More information and instructions provided at www.farmers.gov/mfp.

The deadline to sign up for MFP is **January 15, 2019**. Please call the local FSA office that serves your county to make an appointment to signup for the program. Be prepared to provide documents to support your production certification, such as RMA production records, warehouse receipts, or grain elevator delivery receipts.

FSA Farm Loan Yearly Analysis

If you are a farm loan participant, we will ask for your production and financial information to conduct a year end analysis of your farming operation. Your loan officer will want to have an accurate accounting of all income received and all expenses paid. As a provider of supervised

credit, it is our responsibility to insure public funds are well managed. This information is especially important to you for income tax recording and future financial planning.

FSA provides programs and services that support the economic stability of farmers and ranchers. We strive to ensure that the agriculture industry is solid by providing producers with financial capital, risk management assistance and recovery support in times of economic distress or disaster. An annual year end analysis is key to good management and planning for your operation.

USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning Farmers

The Farm Service Agency offers targeted farm ownership and farm operating loans to assist underserved applicants as well as beginning farmers and ranchers.

USDA defines underserved applicants as a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. For farm loan program purposes, targeted underserved groups are women, African Americans, American Indians and Alaskan Natives, Hispanics and Asians and Pacific Islanders.

Underserved or beginning farmers and ranchers who cannot obtain commercial credit from a bank can apply for either FSA direct loans or guaranteed loans. Direct loans are made to applicants by FSA. Guaranteed loans are made by lending institutions who arrange for FSA to guarantee the loan. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. The FSA guarantee allows lenders to make agricultural credit available to producers who do not meet the lender's normal underwriting criteria.

The direct and guaranteed loan program provides for two types of loans: farm ownership loans and farm operating loans. In addition to customary farm operating and ownership loans, FSA now offers microloans through the direct loan program. The focus of microloans is on the financing needs of small, beginning farmers, niche and non-traditional farm operations. Microloans are available for both ownership and operating finance needs. To learn more about microloans, visit www.fsa.usda.gov/microloans.

Important Dates and Deadlines

October 31, 2018 - Deadline to submit Organic Certification Cost Share (OCCSP) application

November 20, 2018 – Deadline to obtain 2019 crop year NAP coverage for all perennial crops not listed under the 9/30 category; asparagus; berries; grapes; honey; hops; tree fruits and nuts

January 15, 2019 – Deadline to apply for MFP benefits on 2018 crops/livestock

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).





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