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Washington State FSA Newsletter

Washington State Farm Service Agency

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Options Available to Return Expiring CRP to Production This Fall

Producers with Conservation Reserve Program (CRP) contracts that expire this September can request approval to begin destruction of the existing cover to return the land to production this fall. 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 fall, 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. After July 1, any form of cover destruction is permitted, regardless of whether a fall or spring crop will be planted. A NRCS plan may be required if the land is considered highly erodible by USDA. Cover destruction occurring May 1 to July 1 is limited to herbicide applications, or mowing followed by a herbicide applications. Other forms of cover destruction, such as tillage, can start July 1.

If you choose to destroy cover prior September 30, your 2019 rental payment will be reduced to zero for the period when cover destruction begins, through September 30. For example, if you begin cover destruction May 1, you will lose your 2019 payment on

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

the impacted acres for the period May 1 – September 30. If you wish to pursue any of these options, talk to your local FSA office to obtain approval first.

Transitioning Expiring CRP Land to Beginning, Veteran or Underserved Farmers and Ranchers

Producers with Conservation Reserve Program (CRP) contracts set to expire September 30, 2019 can potentially transition their CRP acres to beginning, veteran or underserved farmers or ranchers to return it to production. Through the Transition Incentives Program (TIP), CRP participants can earn two additional years of CRP payments after the contract expires, even while the land is put back into production. The land cannot be transitioned to a family member such as the participant's children.

Enrollment in TIP is on a continuous basis. Beginning, veteran or underserved farmers and ranchers and the CRP participants may enroll in TIP at any time, but an enrollment cutoff has traditionally be set for mid-August. The Natural Resources Conservation Service (NRCS) will need time to complete a TIP sustainable grazing or crop production conservation plan before the application is approved.

To qualify, the expiring acreage must be sold or leased for at least 5 years to the beginning, veteran or underserved farmer or rancher. However, the TIP application must be submitted prior to completing the lease or sale.

FSA will not be able to approve the TIP application until provisions of the 2018 Farm Bill are officially rolled out. Producers who submit a TIP application may withdraw it any time prior to approval, without penalty. For more information on TIP contact the FSA office that administers your CRP contract.

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. Or it can delay payments. Making the record changes now will save you time during the growing season. Make sure to update signature authorizations 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 county FSA office if you need to report changes to your operation.

Deadline for 2018 Commodity Loans

Farmers and landowners with 2018 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 2018 crops of dry peas, lentils, chickpeas, corn, grain sorghum, mustard seed, safflower seed, sunflower seed, and soybeans is May 31, 2019. To inquire about commodity loans and interest rates, contact your county FSA office for more information.

Organic Certification Cost Share Program (OCCSP) for Certification Cost Share Reimbursements

Organic producers and handlers that receive organic certification from a USDA-accredited certifying agent can request cost-share assistance by filing an application with the local USDA-Farm Service Agency (FSA) office. FSA offices are accepting cost-share applications for the 2019 program year for organic certification expenses paid from October 1, 2018 through September 30, 2019.

USDA-FSA reimburses organic producers up to 75 percent of the cost of organic certification. Eligible producers include any certified producers or handlers who have paid organic certification fees to a USDA-accredited certifying agent (other than WSDA-Washington State Department of Agriculture). Application fees, inspection costs, fees related to equivalency agreement/ arrangement requirements, travel/per diem for inspectors, user fees, sales assessments, and postage are all eligible for a cost-share reimbursement from USDA. Once certified, producers and handlers are eligible to receive reimbursement for certification costs incurred during the 2019 program year, up to a maximum of \$750 per certification scope—crops, livestock, wild crops, and processing/handling.

Producers and handlers certified organic by WSDA-Washington State Department of Agriculture will receive cost-share reimbursement from WSDA and are not eligible to receive duplicate cost-share reimbursement from USDA-FSA. To learn more about organic certification cost-share from USDA-FSA, please visit www.fsa.usda.gov/organic or contact your county FSA office.

Noninsured Crop Disaster Assistance Program (NAP) Buy-Up and Updated Basic Provisions (BP)

NAP provides financial assistance to producers of commercial crops for which insurance coverage is not available in order to protect against natural disasters that result in prevented planting, lower yields or crop loss of NAP covered commodities. The 2018 Farm Bill reinstated higher levels of NAP coverage, from 50 to 65 percent of expected production in 5 percent increments, at 100

percent of the average market price. Producers of certified organic crops and crops marketed directly to consumers can select those options when requesting buy-up NAP coverage. Producers have a <u>one-time opportunity until May 24, 2019</u>, to obtain buy-up coverage for 2019 eligible crops for which the NAP application closing date has passed. Buy-up coverage is not available for crops intended for grazing. Producers who select buy-up coverage will be billed for the premium amount due, which is based on 5.25 percent of the coverage value based on the level of coverage selected for your share of the acres planted to the NAP covered crop.

Along with higher levels of coverage available, NAP service fees have increased for all coverage levels. The new NAP service fee is the lesser of \$325 per crop, or \$825 per producer per county, not to exceed a total of \$1,950 for a producer with farming interests in multiple counties. These amounts reflect a \$75 service fee increase for crop, county or multi-county coverage. The fee increase applies to 2019 crops added for NAP coverage on or after April 8, 2019.

Along with beginning, limited resource and targeted underserved farmers or ranchers, qualified veteran farmers or ranchers are also eligible for a NAP service fee waiver and premium reduction, provided certain eligibility criteria is met.

With implementation of the 2018 Farm Bill and buy-up NAP coverage availability, producers who have already obtained 2019 NAP coverage and those requesting increased buy-up levels of coverage by the May 24, 2019 deadline, be advised that an updated NAP Basic Provisions (dated 04-22-2019) is available and applies to all NAP applications for coverage for 2019 and subsequent years. When you sign the CCC-471 NAP Application for Coverage request, you acknowledge receipt of the NAP Basic Provisions (BP) that provides you with all the terms and conditions of your NAP coverage. A copy of the updated BP can be obtained from your local county FSA office, or an electronic copy can be obtained by clicking <a href="https://example.com/here/basic/en/apple

Changing Bank Accounts OR Bank Changes

FSA program payments are issued electronically into your bank account. In order to make timely payments, you need to notify your FSA servicing office if you **close your account** or if your bank information is changed for whatever reason (such as your **financial institution merging or being purchased**). Payments can be delayed if FSA is not notified of changes to account and bank routing numbers.

FSA Youth Loans

The Farm Service Agency (FSA) makes operating loans of up to \$5,000 to eligible individual youths ages 10 to 20 to finance income-producing, agriculture-related projects. The project must be of modest size, educational and initiated, developed and carried out by youths participating in 4-H clubs, Future Farmers of America, tribal youth organizations or similar agricultural-affiliated groups. It must be planned and operated with the assistance of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience in agriculture-related skills.

To qualify for a loan, the applicant must comply with FSA's general eligibility requirements, and conduct a modest income-producing project in a supervised program of work.

These loans can finance many kinds of income-producing agricultural projects. Some examples include:

- Buy, raise and sell livestock
- Purchase inputs such as seed, fuel and fertilizer to raise and sell a crop
- Purchase or repair tools or equipment needed to support an eligible project
- Purchase breeding stock

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To apply, the applicant must submit completed plans and budgets signed by the project advisor and parent or guardian along with the FSA application for loan assistance.

These loans:

- Have an aggregate maximum loan amount of \$5,000;
- Have a fixed interest rate that is determined at the time of closing (3.5% for April, 2019);
- Are secured with a promissory note, and by liens on the products produced for sale and on chattel property, including crops, livestock, equipment and fixtures purchased with loan funds; and
- Have a repayment schedule that varies depending on the type of project for which the loan is made.

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For additional information on the Youth Loan program, or to submit an application, contact your local FSA office at http://offices.usda.gov.

County Committee Nominations – Beat the Rush

Every spring, FSA gears up for the county committee election process. This is about the time farm work completely takes over your life. If you are interested in being a nominee, or just want to know more about county committees, contact your county FSA office now. Don't wait until you are too busy.

The election of responsible agricultural producers to FSA county committees is important to all farmers and ranchers with large or small operations. Committee members are a critical component of the day-to-day operations of FSA. They help deliver FSA farm programs at the local level.

The Farm Service Agency is Hiring

The Farm Service Agency is seeking qualified applicants interested in a being a County Program Technician in Yakima, WA. The application is open to the public and closes May **2**, **2019**.

FSA is looking for qualified applicants who are interested in living in rural communities and assisting farmers and ranchers. Bilingual proficiency in English and Spanish is preferred but not required. The full announcement is available in USAJOBS at the following link: https://www.usajobs.gov/GetJob/ViewDetails/530897200

The following video will allow interested parties to hear employees talk about what it is like to work for FSA in Washington state: https://vimeo.com/182866334

For more information about this position, contact Mitzi Stephens at the FSA State Office at mitzi.stephens@wa.usda.gov or (509) 323-3007.

Important Dates and Deadlines

April 1, 2019 – Beginning of the Primary Nesting Season for CRP. Activities on established CRP stands are prohibited April 1 through July 1 unless specifically authorized by FSA on a contract by contract basis. This restriction does not apply to contracts where the cover is being established at this time.

May 1, 2019 - Last day to certify production for MFP.

May 31, 2019 – Final date to request 2018 crop Marketing Assistance Loan (MAL) or LDP for dry peas, lentils, chickpeas, corn, grain sorghum, mustard seed, safflower seed, sunflower seeds, and soybeans.

July 15, 2019 – Production reporting deadline for 2018 NAP covered grass seeds, forages, and annually planted spring crops for actual production history (APH) purposes.

July 15, 2019 -- Final Acreage Reporting date for all crops not previously reported.

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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