February 2020





Farm Service Agency Electronic News Service

NEWSLETTER

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Having trouble viewing this email? View it as a Web page.

- CRP Signup In the Homestretch
- <u>Deadline to Submit Records for Market Facilitation Program (MFP) Eligibility Approaching</u>
 Fast
- ARCPLC ENROLLMENT
- Tree Assistance Program Programmatic Environmental Evaluation
- Annual Review of Payment Eligibility
- Change in Farming Operation
- Foreign Buyers Notification
- USDA Swine Small Enterprise Study
- 2020 NAP Application for Coverage Closing Date Approaching
- Report Damage or Loss of NAP Covered Crops Immediately
- MAL and LDP Policy
- Asian Giant Hornet Sightings Confirmed in Washington State
- FSA Guaranteed Loans
- Looking for a Career at FSA?
- Important Dates and Deadlines

Washington State FSA Newsletter

Washington State Farm Service Agency

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CRP Signup In the Homestretch

The signup for general CRP that started in December will end on February 28. Producers interested in offering new land for CRP, or re-enrolled land that expired in recent years, or is scheduled to expire this fall, may be offered in this signup. By February 28, at least one eligible producer on the farm must sign the worksheet and contract for the offer to be considered.

After signup ends, a final cost score, as determined by the Secretary, will be established and applied to offers to determine their final Environmental Benefits Index (EBI) score. All general

www.fsa.usda.gov/wa

State Executive Director: Jon Wyss

State Committee:

Katlenia Vejraska, 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

CRP offers will be ranked in a national competition. The Secretary will then determine the total number of acres to be accepted, and the EBI cutoff score will be set to accept that many acres. Producers will be notified if their EBI is above the cutoff, and their offer is accepted, or it is too low and their offer is not accepted. Producers with accepted offers must contact FSA within 30 days of this notification to confirm they want to proceed with the offer. NRCS will then work with the producers to analyze the existing stand and develop a conservation plan for the contract period.

FSA is also accepting offers to enroll in the continuous CRP and the Conservation Reserve Enhancement Program (CREP). Offers to enroll new land can be submitted throughout the year. Offers to re-enroll expired or expiring offers must be submitted in time for NRCS to determine basic eligibility and then the producer to sign the offer worksheet (CRP-2C) and contract (CRP-1), by August 21.

CREP signup was re-opened just recently. Offers to enroll or reenroll land in CREP can not be accepted. CREP generally targets buffers along waterways with salmon or steelhead presence and grass filter strips along waterways that drain into these streams. Rental rates, incentive payments and cost share assistance are generally higher under CREP. But eligible land is limited to approved streams or stream segments.

Under the new farm bill there is a greater emphasis on producers needing to maintain their existing covers up to NRCS specifications to be able to offer the land for re-enrollment when a contract expires. Failure to do that can result the producer being ineligible for re-enrollment or ineligible for cost sharing to restore the cover. It could also result in the determination there is a violation under the expiring contract. Starting this year, NRCS will begin inspecting CRP contracts that are due to expire in the next year or two. This should assist producers in determining what they need to do to bring the current cover up to specifications and increase the likelihood it will be eligible for re-enrollment. Maintaining the current cover has been and continues to be a contract requirement.

If you want to make a CRP offer and do not currently have an appointment, pleases contact the county office immediately. With CRP and disaster program signups coming to a head and ARCPLC deadlines approaching, staff appointment schedules are filling up. Be sure you can get an appointment by the close of signup by calling your local office for an appointment today.

Deadline to Submit Records for Market Facilitation Program (MFP) Eligibility Approaching Fast

Signup for the 2018 and 2019 MFP program ended last month. Because of the volume of work in some offices, we are continuing to work on several applications. In many cases the County Office has requested records from the applicants before their application can be completed and a payment issued. FSA has been provided a deadline of February 15 to complete application processing and the end of March to process payments. Failure to meet these deadlines may result in an applicant not receiving any payment. If your County Office has informed you of an item(s) you must provide in order for them to process your application, you must get all those records to them by February 15. This can include such things as land ownership/lease records, records concerning the legal structure of your farming operations, signature authority, crop insurance data, acreage reports, and eligibility forms such as the Adjusted Gross Income (AGI) forms for all entities and all members. FSA wants to pay every producer the MFP benefits they are eligible for, but failure to get all required records to FSA by February 15 could put those benefits at risk.

Contact your local office if you are unsure about what records they still need.

Final 2019 MFP Payments

The third and final payment batch for the 2019 MFP is expected to process as early as the February 1-2. Producers with eligible and approved applications on file by then may receive their final payment as early as next week, if it was not issued previously.

ARCPLC ENROLLMENT

Elections and enrollment for **2019 ARCPLC will be accepted thru March 16, 2020**. Producers are encouraged to contact or visit their County Office **immediately** to enroll or schedule an appointment for enrollment. Please do not miss this important deadline.

The 2018 Farm Bill reauthorized the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC). The 2018 Farm Bill requires, as a condition of base acre payment eligibility for 2019, that all producers on a farm with an interest in the farm's base acres to elect PLC, ARC-CO, or ARC-IC programs. The election made for 2019 will also be effective for 2020. Producers will have the opportunity to reelect thereafter in each year from 2021 through 2023. Elections of PLC or ARC-CO are made on a covered commodity by covered commodity basis. If ARC-IC is elected, then all covered commodity base acres on the farm have elected ARC-IC.

Failure to make or agree to a unanimous election in 2019 for a covered commodity results in a default program designation of the current election of the covered commodity on the farm from 2018 and **prohibits any 2019 payments** for the covered commodity. These producers have an option to change the election starting with the 2021 crop year.

The farm owner can update the PLC program payment yield in 2020 for:

all covered commodities except seed cotton. Based on 90 percent of the farm's 2013 through 2017 average yield per planted acre, excluding any year that no acreage was planted to the covered commodity, multiplied by a National ratio. If the yield in any of the years 2013 through 2017 is less than 75 percent of the county yield, then 75 percent of the 2013 through 2017 county yield will be substituted for that year.

The 2018 Farm Bill provides that a farm on which all cropland was planted to grass or pasture, including cropland that was idle or fallow, from January 1, 2009 through December 31, 2017 will have all base acres and payment yields maintained, but with no payment for those base acres during the years 2019 through 2023. Farms that reported all grass, idle, or fallow during that entire period may be eligible for an NRCS program.

Tree Assistance Program Programmatic Environmental Evaluation

U.S. Department of Agriculture, Farm Service Agency (FSA) announces the availability of a Draft Environmental Assessment (EA) for implementing TAP for Fire Blight, Little Cherry Disease and other diseases caused by X-Disease Phytoplasma within Washington State. The EA examines the environmental effects of using FSA funding assistance to repair or replace trees that have been infected with the aforementioned diseases.

Copies of the Draft EA and underlying documents are available for review during the public comment period February 3rd to March 5th, 2020 at: Washington State Farm Service Agency, 11707 E. Sprague Ave. Ste. 303, Spokane Valley, WA 99206. The Draft EA is also available at https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/State-Offices/Washington/pdfs/Draft%20EA%20for%20TAP-final.pdf. Written comments will be accepted during the public comment period by mail at: Washington State Farm Service Agency, Tree Assistance Program Comments, c/o Stephanie Fisher, State Environmental Coordinator, 11707 E. Sprague Ave. Ste. 303, Spokane Valley, WA 99206.

All written comments will be carefully considered, and no action taken until the agency has completed the review. All who provide written comments will be informed of the decision when it is made.

Annual Review of Payment Eligibility

All participants of FSA programs who request program benefits are required to submit a completed CCC-902 (Farming Operation Plan) and CCC-941 Average Gross Income (AGI) Certification and Consent to Disclosure of Tax Information to be considered for payment eligibility and payment limitation applicable for the program benefits.

Participants are not required to annually submit new CCC-902s for payment eligibility and payment limitation purposes unless a change in the farming operation occurs that may affect the determination of record. Participants are responsible for ensuring that all CCC-902 and CCC-941 and related forms on file in the county Office **are correct at all times**. Participants are **required to timely notify the county office** of any changes in the farming operation that may affect the determination of record by filing a new or updated CCC-902 as applicable.

Changes that may require a NEW determination include, but are not limited to, a change of:

- Shares of a contract, which may reflect:
 - -A land lease from cash rent to share rent
 - -A land lease from share rent to cash rent (subject to the cash rent tenant rule)
 - -A modification of a variable/fixed bushel-rent arrangement
- The size of the producer's farming operation by the addition or reduction of cropland that may affect the application of a cropland factor
- The structure of the farming operation, including any change to a member's share
- The contribution of farm inputs of capital, land, equipment, active personal labor, and/or active personal management
- Farming interests not previously disclosed on CCC-902 including the farming interests of a spouse or minor child
- Financial status that may affect the 3-year average for the determination of average AGI or other changes that affects eligibility under the average adjusted gross income limitations.

Participants are encouraged to file or review these forms within the deadlines established for each applicable program for which program benefits are being requested.

Change in Farming Operation

If you have bought or sold land, or if you have picked up or dropped rented land from your operation, make sure you report the changes to the office as soon as possible. You need to provide a copy of your deed or recorded land contract for purchased property. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties. Update signature authorization when changes in the operation occur. Producers are reminded to contact the office if there is a change in operations on a farm so that records can be kept current and accurate.

Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

USDA Swine Small Enterprise Study

From July 2020 through January 2021, the U.S. Department of Agriculture's (USDA) National Animal Health Monitoring System (NAHMS), in collaboration with the USDA's National Agricultural

Statistics Service (NASS), will conduct its third national study of U.S. small enterprise swine operations.

Washington State producers are included in this study that will take an in-depth look at small enterprise swine operations (fewer than 1,000 pigs) and provide new information regarding animal health and management practices used on these operations, as well as the alternative marketing strategies they implement.

Approximately 5,000 swine operations from 38 states will be asked to participate in the study. These states account for about 95 percent of U.S. swine operations with fewer than 1,000 pigs.

Participation in any NAHMS study is voluntary. In June 2020, selected producers will be mailed a letter describing the study and be provided with a questionnaire to complete and return. Producers who don't respond to the questionnaire will be called by a NASS representative to arrange a convenient time to complete the questionnaire via a telephone interview.

The privacy of every questionnaire participant is protected. Data will only be presented in an aggregate or summary manner.

For more information, please contact Charles Haley at 970-494-7216 or charles.a.haley@aphis.usda.gov.

2020 NAP Application for Coverage Closing Date Approaching

For crops not insurable through your crop insurance agent, Non-insured Crop Disaster Assistance Program (NAP) coverage is a tool to help mitigate financial risk. NAP covers non-insurable crops damaged, lost, or prevented from being planted due to a natural weather-related disaster condition.

The deadline to apply for NAP coverage for the following crops is approaching: artichokes, beets (for seed or fresh), buckwheat, camelina, carrots (for fresh or processing), mustard, radish (for seed or fresh), small grain forage (wheat, barley, oats, peas), and any other spring planted crops not previously mentioned in other closing dates. To request NAP coverage, an application for coverage must be submitted and a service fee paid by the application closing date. The application closing date for NAP coverage for the spring planted crops listed above is **March 15, 2020**.

There are several coverage level options through this program. NAP provides a catastrophic level (CAT) of coverage for losses that exceed 50 percent of the expected yield at 55 percent of the approved NAP price for the crop. The 2018 Farm Bill reinstated higher levels of coverage, from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the approved NAP price. Producers who elect a higher level of coverage must "buy-up" and pay a premium in addition to the service fee. Beginning, limited resource, and targeted underserved farmers or ranchers remain eligible for a 50% NAP premium reduction. Producers with an organic certification can select the organic option when requesting NAP coverage at either CAT or buy-up levels of coverage at 100 percent of the approved organic NAP price. Please note, buy-up coverage is not available for crops intended for grazing.

The NAP service fee is \$325 per crop per county, up to \$825 per county, not to exceed \$1,950 per producer with NAP covered crops in multiple counties. A waiver of the NAP service fee is available

to beginning, limited resource, and traditionally underserved farmers and ranchers. To learn more about the NAP program and to request coverage, contact your local <u>county FSA office</u>.

Report Damage or Loss of NAP Covered Crops Immediately

If winter weather causes damage to or loss of your NAP covered perennial and/or fall planted crops, you must report this to your local FSA county office.

NAP notices of loss must be submitted, in writing, to your local FSA county office for weather related events or adverse natural occurrences that cause damage to or loss of the NAP covered crop. To report crop damage or loss you must complete, sign, and file form CCC-576 with your FSA office by the earlier of either of the following:

- 15 calendar days after the disaster occurrence or date of loss or damage to the crop or commodity first becomes apparent or
- 15 calendar days after the normal harvest date.

Please note, producers of hand-harvested crops and certain perishable crops must notify FSA within 72 hours of when a loss becomes apparent.

As the 2020 crop year progresses, it is imperative that a notice of loss is filed (for all affected NAP covered crops) within the timeframe noted above for each weather-related event or adverse natural occurrence. This will ensure FSA is notified that your NAP covered crop or crops have been damaged or lost.

When a covered crop is lost or damage is significant, replanting is required if feasible and the final planting date has not passed. When you determine that the crop will be destroyed, abandoned, or not taken to harvest as intended, you must report this to your local FSA office so a field visit can be conducted by a certified loss adjuster. Once the crop appraisal has been completed, the loss adjuster will release the field and you can destroy the covered crop acres and replant to a different crop or harvest the acres for a different use.

Remember, failure to timely notify your FSA county office of NAP covered crop damage or loss will result in denial of NAP payment benefits. Destroying NAP covered crop acres or harvesting for a different use without a loss adjuster appraisal will result in those acres being determined ineligible for NAP payment benefits.

If you have any questions about NAP policy requirements, contact your local <u>county FSA office</u> for more information.

MAL and LDP Policy

Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs) provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, rice, peanuts, cotton, wool and honey. MALs provide producers interim financing after harvest to help them meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available.

FSA is now accepting requests for 2019 MALs and LDPs for all eligible commodities after harvest. The final date to request a MAL or LDP for 2019 wheat, barley, oats, honey, canola, crambe, flaxseed, rapeseed, and sesame seed is **March 31, 2020.**

To be eligible for a commodity loan the crop must have been produced, mechanically harvested, and be in a storable condition. Loan applicants must be in compliance with conservation and wetland protection requirements. Acreage reports for all cropland on your farms must be on file, and you must retain beneficial interest in the commodity until the loan is repaid or Commodity Credit Corporation (CCC) takes title to the commodity. Producers are responsible for maintaining the quantity and quality of the commodity pledged as collateral for a farm-stored or warehouse-stored loan. Commodity loans mature nine months after the month the loan is approved and funds have been disbursed.

Loan Deficiency Payments (LDP) have triggered for chickpeas and lentils. LDP's are direct payments made in lieu of a marketing assistance loan when the CCC determined value, which is based on the current local price, is below the applicable loan rate. For chickpeas and lentils, the local prices and loan rates are set at a national level. The payment is the difference between the price and loan rate times the eligible quantity. Pulse crop LDP rates are updated on a weekly basis.

To be considered eligible for an LDP, producers must have form CCC-633EZ, Page 1 on file at their local FSA office before losing beneficial interest in the crop. For chickpeas and lentils, page 2 of the form must be submitted when payment is requested. Payments are processed after page 2 has been submitted and approved.

In order to receive a MAL or LDP, all related application forms must be completed at your local FSA office prior to loss of beneficial interest. Additional eligibility requirements must be met before payments can be paid. This includes a 2019 FSA-578 acreage report for all crop acres, a CCC-941 Adjusted Gross Income Certification, a CCC-902 Farm Operating Plan, an AD-1026 Highly Erodible Land and Wetland Certification, and a direct deposit form or waiver.

For more information and additional eligibility requirements, please contact your local <u>county FSA</u> office.

Asian Giant Hornet Sightings Confirmed in Washington State

The Washington State Department of Agriculture (WSDA) has confirmed that Asian giant hornets have been found in Washington State.

The Asian giant hornet is a predator of honeybees. A few hornets can kill an entire hive in a matter of hours. The hornets then defend the hive as their own and take the brood to their own nest to feed their young. While they do not generally attack people or pets, they can attack when threatened. Their stinger is longer than that of a honeybee and their venom is more toxic. They can also sting repeatedly.

If you find a colony of Asian giant hornets, please report the sighting at <u>agr.wa.gov/hornets</u>. This WSDA website provides information on how to identify these hornets from other insects.

Currently, FSA does not provide programs to assist producers who suffer hive or colony losses due to Asian giant hornets. If you suffer a loss, report the event immediately to the WSDA through the website above. If you would like to keep up to date on the Asian giant hornet you can join the Asian

giant hornet watch Facebook group or join the WSDA pest program email list (be sure to uncheck the other topics and only leave the Asian giant hornet topic selected when you sign up).

FSA Guaranteed Loans

Did you know that your USDA Farm Service Agency not only provides direct loans, but also guaranteed loans through USDA-approved commercial lenders? The USDA guarantee facilitates loans at reasonable terms to finance annual operating, term operating, and farmland purchases. FSA provides the financial institution loan guarantees up to 95% of the loan against possible financial loss of principal and interest. With this additional risk protection from FSA, commercial lenders may be more likely to extend credit.

An advantage of this program is that it enables larger purchases due to the maximum guarantee of \$1,776,000, considerably higher than FSA's direct loans. Your local FSA Farm Loan Team can help you connect with local lenders that are known to make agricultural loans in your area.

- FSA can guarantee Operating Loans and Lines of Credit, Farm Ownership loans, and Conservation loans up to \$1,776,000; this amount is adjusted annually each fiscal year based on inflation.
- The maximum loan limit for Land Contract Guarantees is \$500,000.

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. No other supporting documents will typically be required. 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 local county FSA office.

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

Looking for a Career at FSA?



Washington state FSA is hiring for multiple farm loan positions.

The Yakima county office has advertised for a full-time permanent Farm Loan Assistant. The full job announcement can be found at: https://www.usajobs.gov/GetJob/ViewDetails/556317100

The Franklin county and Whatcom county offices seek a full-time permanent Program Technician for their farm loan divisions. The

full job announcement can be found at: https://www.usajobs.gov/GetJob/ViewDetails/556318900

To apply, applicants are required to follow the instructions and submit their application package through www.USAJOBS.gov.

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

Please share these positions with anyone you know who may be interested and any questions can be directed to Human Resource Specialist Mitzi Stephens at (509) 323-3007 or by email at Mitzi.stephens@usda.gov.

WSU Career Fair

February 3, 2020 - Ensminger Pavillion at 5:00 pm to 6:30 pm **February 4, 2010** - Beasley Coliseum at 10:00 am to 3:00 pm

Contact Mitzi Stephens, Human Resources at 509-323-3007

Important Dates and Deadlines

February 15, 2020 – Deadline to pay 2019 NAP Premiums.

February 15, 2020 – Deadline to provide all producer, farm and eligibility records to FSA for 2018 and 2019 MFP payments.

February 17, 2020 – Presidents' Day. USDA Service Centers will be closed.

February 28, 2020 – Deadline to submit an offer to enroll or re-enroll in general CRP signup 54.

February 28, 2020 – Updated deadline to file a WHIP Milk Loss Application.

February 29, 2020 – Deadline to file a 2019 LIP Application for Payment.

March 15, **2020** – Deadline to elect a program for both 2019 & 2020 ARC/PLC. Deadline to enroll in 2019 ARC/PLC.

March 15, 2020 – Deadline to request 2020 NAP coverage for artichokes, beets (seed or fresh), buckwheat, camelina, carrots (fresh or processing), small grain forages (wheat, barley, oats, peas) and other spring planted crops not mentioned in other NAP application for coverage closing dates.

March 31, 2020 – Final date to request a MAL or LDP for 2019 wheat, barley, oats, honey, canola, crambe, flaxseed, rapeseed, and sesame seed.

August 21, 2020 – Deadline to submit completed and signed offers to re-enroll land in continuous CRP and CREP.

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).