#### March 2020





### Farm Service Agency Electronic News Service

## **NEWSLETTER**

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## Washington State FSA Newsletter

## Washington State Farm Service Agency

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## IMPORTANT DEADLINE: DON'T MISS OUT ON ARCPLC

The ARCPLC deadline is quickly approaching. Failure to make a valid election and enrollment for the 2019 program year by March 16<sup>th</sup>, 2020 will result in ineligibility for the 2019 crop year payment(s) and the farm's elections will default to the elections made for 2015-2018 for the 2020 program year. To complete election and enrollment, all signatures must be submitted by the March 16<sup>th</sup> deadline.

#### 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 <a href="https://www.fsa.usda.gov/wa">www.fsa.usda.gov/wa</a>

Please contact your local FSA office to schedule an appointment today. Ensure all previously scheduled appointments are kept as resources and staff are limited at this time. REMEMBER, the financial health of your farming operation for 2019 and 2020 may be greatly affected by failure to elect and enroll in ARCPLC by the March 16<sup>th</sup> deadline.

# Waiting on the Results of General CRP Signup 54

General CRP signup 54 closed on February 28. FSA is analyzing all offers received nationwide and their ranking scores. The Secretary will eventually determine the amount of acreage to accept this signup and FSA will identify the minimum ranking score needed to accept that many acres into the program. We do not know when the signup results will be announced but anticipate it in March or early April.

### **Continuous CRP and CREP Signups are Ongoing**

Although general CRP signup is over for this year, continuous CRP (CCRP) and CREP signups continue. If you have an expiring CCRP or CREP contract, and you want to re-enroll it, you must submit a signed offer no later than August 21. Before you can sign an offer, NRCS must first do a site visit. So don't delay and filing your application. Offers that do not get far enough along to be signed by the producer by August 21 will be rejected and the land will become ineligible for CRP.

Offers to enroll "new" and in CCRP and CREP can be accepted at any time. But if you want the contract to take effect October 1, 2020, you should not delay since inspection of the site and the development of a conservation plan must be completed prior to contract approval.

There are a variety of practices available under CCRP including contour grass strips (for erosion control on slopes while intervening strips of cropland are farmed), grass filter strips, riparian buffers, wetland buffers, field borders, pollinator habitat, and others.

A new practice, Prairie Strips, is available this year under CCRP. This practice calls for strips planted to a diversified mix on up to 25% of the cropland in a field. NRCS will have quite a bit of flexibility on the layout of the practice and the amount of acreage to include to accommodate continued farming operations in the field. The strips must be a minimum of 30 feet wide, not to exceed a maximum average width of 120 feet.

Except for riparian buffers, most of these practices are only available on cropland with the appropriate annual cropping history. Riparian buffers can be enrolled on cropland or pasture land.

### **Market Facilitation Program (MFP) Winds Down**

As we indicated last month, the 2018 (for producers that exceeded AGI) and 2019 MFP payment processing is winding down. If your FSA office has informed you of items they still need from you to process your MFP application, you need to get it to them as soon as possible. Failure to submit all required supporting documentation in time for the County Office to process them could end up making you ineligible for the program. So please do not delay in submitting the required records. If you have any question about what records they need, please contact the County Office immediately.

## EMERGENCY LIVESTOCK ASSISTANCE FOR LIVESTOCK, HONEYBEES AND FARM-RAISED FISH PROGRAM

The U.S. Department of Agriculture's Farm Service Agency (FSA) announced updates to the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP). These updates include changes required by the 2018 Farm Bill as well as discretionary changes intended to improve the administration of the program and clarify existing program requirements. ELAP was previously administered based on FSA's fiscal year but will now run according to the calendar year. Producers are still required to submit an application for payment within 30 calendar days of the end of the program year. This is not a policy change but will affect the deadline. The signup deadline for calendar year 2020 losses is January 30, 2021.

Starting in 2020, producers will have 15 days from when the loss is first apparent, instead of 30 days, to file a honeybee notice of loss. This change provides consistency between ELAP and the Noninsured Crop Disaster Assistance Program, which also has a 15-day notice of loss period for honey. For other covered losses, including livestock feed, grazing and farm-raised fish losses, the notice of loss deadline for ELAP will remain 30 days from when the loss is first apparent to the producer.

Program participants who were paid for the loss of a honeybee colony or hive in either or both of the previous two years will be required to provide additional documentation to substantiate how current year inventory was acquired.

If the honeybee colony loss incurred was because of Colony Collapse Disorder, program participants must provide a producer certification that the loss was a direct result of at least three of the five symptoms of Colony Collapse Disorder, which include:

- the loss of live gueen and/or drone bee populations inside the hives;
- rapid decline of adult worker bee population outside the hives, leaving brood poorly or completely unattended;
- absence of dead adult bees inside the hive and outside the entrance of the hive;
- absence of robbing collapsed colonies; and
- at the time of collapse, varroa mite and Nosema populations are not at levels known to cause economic injury or population decline.

For honeybees, ELAP covers colony losses, honeybee hive losses (the physical structure) and honeybee feed losses in instances where the colony, hive or feed has been destroyed by a natural disaster or, in the case of colony losses, because of Colony Collapse Disorder. Colony losses must be in excess of normal mortality.

ELAP also provides emergency assistance to eligible producers of livestock and farm-raised fish including for feed and grazing losses. It covers losses because of eligible adverse weather or loss conditions, including blizzards and wildfires on federally managed lands. ELAP also covers losses resulting from the cost of transporting water to livestock due to an eligible drought.

For more information on ELAP visit <u>farmers.gov/recover</u> or contact your FSA County Office. To locate your local FSA office, visit <u>farmers.gov/service-locator</u>.

# NASS to Conduct Share Rent Survey to Supplement Data Used for Setting CRP Rental Rates

USDA's National Agricultural Statistics Service is working with the Farm Service Agency to soon conduct a pilot Non-Irrigated Cropland Survey. The purpose of this pilot study is to help provide supplemental data to USDA Farm Service Agency (FSA) to help set Conservation Reserve Program (CRP) rates as it pertains to share rent. With the **potential** adoption of this pilot into production, FSA could increase the precision of estimates in counties where share renting predominates and set annual CRP payment rates that more accurately reflect local market conditions.

The pilot study will sample a total of 1,500 respondents in three states (Washington, Texas and Nebraska). The timing of the survey follows a similar timeline as NASS's current Cash Rent Survey. Mailing of the questionnaire to producers will be on March 1. Producers have the option of returning the questionnaire by mail or to complete the questionnaire online. Producers that do not return the questionnaire will be contacted by telephone beginning March 16. Data collection is expected to end on May 11.

NASS's Northwest Regional Field Office made efforts to reduce additional contacts to producers that may have been selected for other surveys during this time frame. Producers are asked to please take the time to complete the questionnaire for the pilot study as results from the survey have the potential to improve the Conservation Reserve Program in the State of Washington. Changes to the program are unlikely to be made without the use of additional information. The Washington Association of Wheat Growers had previously made requests to FSA and NASS to adequately represent land that is share rented into CRP payment rates. The efforts by NASS and FSA are a direct response to suggestions by the local producer organization.

All questions about the survey can be directed to Christopher Mertz, Director, Northwest Region at 360-890-3300.

# **USDA** Announces Details of Risk Management Programs for Hemp Producers

The U.S. Department of Agriculture (USDA) announced the availability of two programs that protect hemp producers' crops from natural disasters. A pilot hemp insurance program through Multi-Peril Crop Insurance (MPCI) provides coverage against loss of yield because of insurable causes of loss for hemp grown for fiber, grain or Cannabidiol (CBD) oil in pilot states and the Noninsured Crop Disaster Assistance Program (NAP) coverage protects against losses associated with lower yields, destroyed crops, or prevented planting where no permanent federal crop insurance program is available. Producers may apply now, and the deadline to sign up for both programs is **March 15**, **2020.** 

Noninsured Crop Disaster Assistance Program NAP provides coverage against loss for hemp grown for fiber, grain, seed or CBD for the 2020 crop year where no permanent federal crop insurance program is available. NAP is currently the only disaster assistance program available for hemp crops in the state of Washington.

NAP basic 50/55 coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production. Buy-up coverage is available in some cases. The 2018 Farm Bill allows for buy-up levels of NAP coverage from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the average market price. Premium fees apply for buy-up coverage even if a loss does not occur.

For all coverage levels, the NAP service fee is \$325 per crop or \$825 per producer per county, not to exceed \$1,950 for a producer with farming interests 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 <a href="county-bases">county FSA office</a>.

#### Multi-Peril Crop Insurance Pilot Insurance Program

The MPCI pilot insurance is a new crop insurance option for hemp producers in select counties of 21 states for the 2020 crop year. The program is available for eligible producers in certain counties in Alabama, California, Colorado, Illinois, Indiana, Kansas, Kentucky, Maine, Michigan, Minnesota, Montana, New Mexico, New York, North Carolina, North Dakota, Oklahoma, <u>Oregon</u>, Pennsylvania, Tennessee, Virginia and Wisconsin. **The MPCI pilot is not currently available in Washington State.** Information on eligible counties is accessible through the USDA Risk Management Agency's Actuarial Information Browser.

Among other requirements, to be eligible for the pilot program, a hemp producer must have at least one year of history producing the crop and have a contract for the sale of the insured hemp. In addition, the minimum acreage requirement is 5 acres for CBD and 20 acres for grain and fiber. Hemp will not qualify for replant payments or prevented plant payments under MPCI.

This pilot insurance coverage is available to hemp growers in addition to revenue protection for hemp offered under the Whole-Farm Revenue Protection plan of insurance. Also, beginning with the 2021 crop year, hemp will be insurable under the Nursery crop insurance program and the Nursery Value Select pilot crop insurance program. Under both nursery programs, hemp will be insurable if grown in containers and in accordance with federal regulations, any applicable state or tribal laws and terms of the crop insurance policy.

#### **Eligibility Requirements**

Under a regulation authorized by the 2018 Farm Bill, all growers must have a license to grow hemp and must comply with applicable state, tribal or federal regulations or operate under a state or university research pilot, as authorized by the 2014 Farm Bill.

Producers must report hemp acreage to FSA after planting to comply with federal and state law enforcement. The Farm Bill defines hemp as containing 0.3 percent or less tetrahydrocannabinol (THC) on a dry-weight basis. Hemp having THC above the federal statutory compliance level of 0.3 percent, referred to as "hot," is an **uninsurable** and **considered an ineligible cause of loss**. A "hot" hemp crop will result in the hemp production being **ineligible for production history purposes**.

For more information on USDA risk management programs for hemp producers, visit farmers.gov/hemp to read our <u>frequently asked questions</u>. For more information on the U.S. Domestic Hemp Production Program, visit USDA's Agricultural Marketing Services' website to read their frequently asked questions.

# **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), hemp, 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, even if a loss does not occur. 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 county FSA office.

### **Deadlines for Commodity Loans and LDPs Approaching**

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.** The final date to request a MAL or LDP for 2019 corn, dry peas, grain sorghum, lentils, mustard seed, rice, safflower seed, chickpeas, soybeans, and sunflower seeds is **May 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 <a href="CCC-633EZ">CCC-633EZ</a>, <a href="Page 1">Page 1</a> 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> <u>office</u>.

### Non-Irrigated Cropland Survey – Pilot Study

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adequately represent land that is share rented into CRP payment rates. The efforts by NASS and FSA are a direct response to suggestions by the local producer organization.

All questions about the survey can be directed to Christopher Mertz, Director, Northwest Region at 360.890.3300.

#### **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

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 (2.625% for March, 2020);
- 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.

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

### **Important Dates and Deadlines**

**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), hemp, 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 on 2019 wheat, barley, oats, honey, canola, crambe, flaxseed, rapeseed, and sesame seed.

**April 1, 2020** – 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 31, 2020** – Final date to request a MAL or LDP on 2019 corn, dry peas, grain sorghum, lentils, mustard seed, rice, safflower seed, chickpeas, soybeans, and sunflower seeds.

**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).





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