March 2021





Farm Service Agency Electronic News Service

NEWSLETTER

GovDelivery

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

- 2021 NAP Application for Coverage Closing Date Approaching
- Report Damage or Loss of NAP Covered Crops Immediately
- Change Policy for Filing a NAP Notice of Loss on Grazed Forage
- 2020 Marketing Assistance Loans Still Available
- FSA Continues to Accept Offers for General Signup 56
- March 15 Last Chance Don't miss out on ARC/PLC
- Yield Data and Web-Based Decision Tools Available for ARC/PLC
- Farm Storage Facility Loans
- Important Dates and Deadlines

Washington State FSA Newsletter

Washington State Farm Service Agency

11707 E. Sprague Ave., Ste 303 Spokane Valley, WA 99206

Phone: 509-323-3000 Fax: 855-843-1172

www.fsa.usda.gov/wa

2021 NAP Application for Coverage Closing Date Approaching

For crops that are not insurable with catastrophic (CAT) level coverage through a crop insurance agent, Non-insured Crop Disaster Assistance Program (NAP) coverage is an tool available 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. NAP coverage for eligible 2021 crops should be purchased at least 1 day before the crop is planted, but

State Executive Director: Mike Mandere, Acting

State Committee:

Katlenia Vejraska, Chair Maureen Harkcom, Member Robyn Meenach, Member Bruce Nelson, Member

To find contact information for your local office go to www.fsa.usda.gov/wa no later the application closing date. The application closing date for NAP coverage for the spring planted crops listed above is **March 15, 2021**.

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. 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. Beginning, limited resource, targeted underserved farmers or ranchers, and qualified veteran farmers or ranchers are eligible for a waiver of NAP service fees and a 50% NAP premium fee reduction. Certification forms must be completed before the appropriate NAP application for coverage close date for waivers or premium reductions to apply.

To learn more about the NAP program and to request coverage, contact your local county FSA office.

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 can be initiated by phone, email, or fax, but 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 the loss portion of form CCC-576 with your FSA office by the <u>earlier</u> 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.

While some FSA county offices are closed to the public as a health and safety precaution against the spread of COVID-19, offices will take initial NAP notice of loss notifications via phone, email, or fax. Offices will assist producers in completing the official CCC-576 Notice of Loss Form as best as possible, sending the form to producers via email, fax, or mail for final review and signature. The completed and signed CCC-576 should then be returned to the county office as soon as possible via email, fax, or mail.

As the 2021 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. If the loss event is approved, remember to provide your crop production to your local FSA county office within 60 days after harvest or request an appraisal within 60 days of the normal harvest date so that the payment portion of form CCC-576 can be filed timely.

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.

Change Policy for Filing a NAP Notice of Loss on Grazed Forage

For the 2021 and subsequent crop years, NAP forage producers with the intended use of grazing who elect to use independent assessments or other approved alternative loss percentage methods to establish their loss are no longer required to file a CCC-576 Notice of Loss with FSA. However, a

CCC-576 Application for Payment form must be submitted to FSA no later than 60 calendar days after the coverage period ends.

Producers that elect to have the grazing loss determined using similar mechanically harvested units still must timely file a CCC-576 Notice of Loss within the earlier of 15 days of the disaster event or damage to the crop first becomes apparent or within 15 days of harvest.

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

2020 Marketing Assistance Loans Still Available

FSA Marketing Assistance Loans are still available for 2020 harvested commodities. A loan can provide you with interim financing to meet cash flow needs without selling your harvested crop at a time when market prices are at harvest-time lows. Your 2020 harvested farm-stored or warehouse-stored commodity is used as collateral for the loan. Marketing Assistance Loans (MALs) typically mature 9 months after the month loan funds are disbursed to you, with repayment due at loan maturity. Due to the pandemic, all open nonrecourse commodity loans in good standing requested by September 30, 2021 will mature 12 months after loans funds are disbursed, unless a 9-month maturity is requested. Before moving farm-stored loan collateral, you must contact the county FSA office and obtain an authorization to move the collateral. Producers who have a commodity pledged as collateral for a marketing assistance loan can purchase a commodity certificate that can be immediately exchanged for the outstanding loan collateral in situations when the loan rate exceeds the exchange rate.

FSA is still accepting requests for 2020 MALs for all eligible harvested commodities. The final date to request a MAL for 2020 wheat, barley, oats, honey, canola, crambe, flaxseed, rapeseed, and sesame seed is **March 31, 2021.** The final date to request a MAL for 2020 corn, dry peas, grain sorghum, lentils, mustard seed, rice, safflower seed, chickpeas, soybeans, and sunflower seeds is **June 1, 2021**.

For a commodity to be eligible for a loan or certificate, you must have beneficial interest in the commodity which is defined as having title, possession, and control of the commodity. The quality of stored collateral must be maintained, and you are responsible for loss or damage to the commodity through the term of the loan. To retain eligibility for an LDP when beneficial interest in your harvested crop will be lost upon delivery, you must file form CCC-633 EZ Page 1 with your local FSA office prior to loss of beneficial interest.

If you are interested, please contact <u>your local FSA county office</u> to learn more about Marketing Assistance Loans.

FSA Continues to Accept Offers for General Signup 56

FSA continues to accept offers into the General CRP signup 56. The signup period had previously been announced as ending February 12, 2021 but was extended to allow the new Administration the opportunity to evaluate ways to increase enrollment.

This signup provides producers the opportunity to enroll land for the first time or re-enroll land under existing contracts that are scheduled to expire on Sept. 30, 2021.

As more information becomes available it will be provided to allow all producers the opportunity to submit new offers and/or adjust their current offers to take advantage of any planned improvements to the CRP program.

March 15 Last Chance – Don't miss out on ARC/PLC

ARC/PLC signup is quickly coming to a close. Failure to enroll for the 2021 program year by March 15, 2021 will result in ineligibility for the 2021 crop year payment(s) To complete election and enrollment, all signatures must be submitted by the March 15 deadline.

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 2021 may be greatly affected by failure to enroll in ARCPLC by the March 15th deadline.

Yield Data and Web-Based Decision Tools Available for ARC/PLC

FSA recently updated the <u>annual and benchmark yields</u> for ARC/PLC program years 2019, 2020 and 2021. This data is useful to producer in choosing to participate in either ARC or PLC.

For added assistance with ARC and PLC decisions, USDA partnered with the University of Illinois and Texas A&M University to offer web-based decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. Tools include:

- <u>Gardner-farmdoc Payment Calculator</u>, the University of Illinois tool that offers farmers the ability to run payment estimate modeling for their farms and counties for ARC-County and PLC.
- ARC and PLC Decision Tool, the Texas A&M tool that allow producers to analyze payment
 yield updates and expected payments for 2019 and 2020. Producers who have used the
 tool in the past should see their username and much of their farm data will already be
 available in the system.

Farm Storage Facility Loans

Farm Storage Facility Loans (FSFLs) provide low-interest financing for producers to store, handle and/or transport eligible commodities they produce. This includes the following:

- Acquire, construct or upgrade new or used, portable or permanently affixed, on-farm storage and handling facilities;
- · Acquire new or used storage and handling trucks; and
- Acquire portable or permanently affixed storage and handling equipment.

A producer may borrow up to \$500,000 per loan, with a minimum down payment of 15 percent. Loan terms are up to 12 years, depending on the amount of the loan. Producers must demonstrate storage needs based on three years of production history. FSA also provides a microloan option

that, while available to all eligible farmers and ranchers, also should be of particular interest to new or small producers where there is a need for financing options for loans up to \$50,000 at a lower down payment with reduced documentation.

An eligible borrower is any person who is a landowner, landlord, leaseholder, tenant or sharecropper. Eligible borrowers must be able to show repayment ability and meet other requirements to qualify for a loan. Contact an FSA office for more details. Applicants for all loans will be charged a nonrefundable \$100 application fee.

The following types of new/used facilities and upgrades are eligible and must have a useful life for at least the term of the loan:

- Conventional cribs or bins;
- Bulk tanks for storing milk or maple sap;
- Oxygen-limiting structures and remanufactured oxygen-limiting structures;
- Flat-type storage structures;
- Electrical equipment, excluding the installation of electrical service to the electrical meter;
- Handling equipment,
- Safety equipment, such as interior and exterior ladders and lighting;
- Equipment to improve, maintain or monitor the quality of stored grain;
- Concrete foundations, aprons, pits and pads, including site preparation, off-farm labor and material, essential to the proper operation of the grain storage and handling equipment;
- Renovation of existing farm storage facilities, under certain circumstances, if the renovation is for maintaining or replacing items;
- Grain handling and grain drying equipment determined by the Commodity Credit
 Corporation to be needed and essential to the proper operation of a grain storage system
 (with or without a loan for the storage facility);
- Structures that are bunker-type, horizontal or open silo structures, with at least two concrete walls and a concrete floor;
- Structures suitable for storing hay built according to acceptable design guidelines;
- Structures suitable for storing renewable biomass;
- Cold storage buildings, including prefabricated buildings that are suitable for eligible commodities. Also may include cooling, circulating and monitoring equipment and electrical equipment, including labor and materials for installation of lights, motors and wiring integral to the proper operation of a cold storage facility; and
- Storage and handling trucks, including refrigerated trucks.

You can locate more information on the FSFL program on the web at www.fsa.usda.gov/pricesupport, or contact your local FSA office.

Important Dates and Deadlines

March 1, 2021 – Deadline to file a 2020 LIP Application for Payment and provide supporting documentation.

March 5, 2021 - Deadline to sign up for the Quality Loss Adjustment (QLA) program.

March 15, 2021 – Deadline to elect a program and enroll in 2021 ARC/PLC.

March 15, 2021 – Deadline to request 2021 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 15, 2021 - CRP Grassland signup period opens. Signup ends April 23, 2021.

March 31, 2021 – Final date to request a MAL for 2020 wheat, barley, oats, honey, canola, crambe, flaxseed, rapeseed, and sesame seed.

April 1, 2021 – 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.

April 23, 2021 – Deadline to sign up for CRP Grasslands.

May 31, 2021 – Memorial Day. USDA service centers will be closed.

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).