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Pandemic Support Available for Certified Organic and Transitioning Operations

In November, the U.S. Department of Agriculture announced a new program to provide pandemic assistance to cover certification and education expenses to agricultural producers who are certified organic or transitioning to organic. USDA has made \$20 million available through the new Organic and Transitional Education and Certification Program (OTECP) as part of USDA's broader Pandemic Assistance for Producers initiative, which provides new, broader and more equitable opportunities for farmers, ranchers and producers.

During the COVID-19 pandemic, certified organic and transitional operations faced challenges due to loss of markets, and increased costs and labor shortages, in addition to costs related to obtaining or renewing their organic certification, which producers and handlers of conventionally grown commodities do not incur. Transitional operations also faced the financial challenge of implementing practices required to obtain organic certification without

being able to obtain the premium prices normally received for certified organic commodities.

Eligible Expenses

OTECP funding is provided through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Certified operations and transitional operations may apply for OTECP for eligible expenses paid during the 2020, 2021 and 2022 fiscal years. For each year, OTECP covers 25% of a certified operation's eligible certification expenses, up to \$250 per certification category (crop, livestock, wild crop, handling and State Organic Program fee). This includes application fees, inspection fees, USDA organic certification costs, state organic program fees and more.

Crop and livestock operations transitioning to organic production may be eligible for 75% of a transitional operation's eligible expenses, up to \$750, for each year. This includes fees charged by a certifying agent or consultant for pre-certification inspections and development of an organic system plan.

For both certified operations and transitional operations, OTECP covers 75% of the registration fees, up to \$200, per year, for educational events that include content related to organic production and handling in order to assist operations in increasing their knowledge of production and marketing practices that can improve their operations, increase resilience and expand available marketing opportunities. Additionally, both certified and transitional operations may be eligible for 75% of the expense of soil testing required under the National Organic Program (NOP) to document micronutrient deficiency, not to exceed \$100 per year.

Applying for Assistance

The signup for 2020 and 2021 OTECP is now open. Producer interested in applying should contact their local FSA office before the signup deadline on <u>January 7, 2022</u>. For one-on-one support with applications, please call 877-508-8364. Visit farmers.gov/otecp to learn more.

Additional Organic Support

OTECP builds upon USDA's Organic Certification Cost Share Program (OCCSP) which provides cost share assistance of 50%, up to a maximum of \$500 per scope, to producers and handlers of agricultural products who are obtaining or renewing their certification under the NOP. The 2021 application period for OCCSP ended Nov. 1, 2021.

Additionally, USDA's Risk Management Agency announced improvements to the Whole-Farm Revenue Program including increasing expansion limits for organic producers to the higher of \$500,000 or 35%. Previously, small and medium size organic operations were held to the same 35% limit to expansion as conventional practice producers. Also, producers can now report acreage as certified organic, or as acreage in transition to organic, when the producer has requested an organic certification by the acreage reporting date.

To learn more about USDA's assistance for organic producers, visit <u>usda.gov/organic</u>.

2021 NAP Crop Production Reporting Deadline Approaching

Reporting of actual harvested production from the 2021 crop year is a requirement for producers who obtained Non-Insured Crop Disaster Assistance Program (NAP) coverage. To retain program eligibility for NAP covered crops, participating producers must annually report actual production to keep NAP program benefits and ensure the NAP actual production history (APH) reflects accurate yield data.

Producers of 2021 NAP covered fall-seeded crops, such as fall canola, fall mint, fall peas, fall lentils, and fall seeded small grains, must report actual harvested production by no later than **December 15, 2021. By this deadline, producers must also sign a CCC-452 APH form and file a CCC-576 NAP Application for Payment form** for those crops that have an approved NAP Notice of Loss on file. As seed producers may not have their harvested seed cleaned yet, we encourage you to report your total dirt weight immediately in order to meet the deadlines for reporting production, filing your actual production history, and filing any application for payment forms on your 2021 crop. Once the seed has been cleaned, please provide the final cleaned seed pounds to your county office for use in your APH and to calculate your NAP benefit. Remember, a NAP benefit will only be calculated if an approved notice of loss was filed.

Producers of 2021 NAP covered honey must provide total harvested production by January 3, 2022 for all honey produced during the 2021 calendar year. 2021 NAP covered tree fruits (apples, apricots, cherries, nectarines, peaches, pears, plums) and nuts, blueberries, cranberries and grapes must report actual harvested production by January 18, 2022 along with signing the CCC-452 APH form and the application for payment. An application for payment will only be processed if an approved notice of loss was filed for the NAP covered crops.

If actual harvested production for NAP covered crops is not timely submitted to your local county FSA office, NAP benefits for crop losses will not be earned and the NAP yield will begin to drop significantly, affecting your future NAP coverage levels. If you have any questions about production reporting or NAP payment requirements, contact your county FSA office.

NAP Coverage – Consider Protecting 2022 Crops Now

For crops that are not insurable with catastrophic level coverage (CAT) through your crop insurance agent, Non-insured Crop Disaster Assistance Program (NAP) coverage is an available 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.

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. Higher levels of coverage are available to cover 50 to 65 percent of expected crop year, set in 5 percent increments, based on 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. Buy-up coverage is not available for crops intended for grazing.

Premium costs for buy-up coverage on yield-based crops will be calculated based <u>on the lesser of</u> either of the following:

- The applicable payment limitation (\$300,000 for buy-up) X 5.25% premium fee = \$15,750 maximum premium per individual or legal entity, or
- The sum of acres X APH yield X share X coverage level X NAP price X 5.25% premium fee for each NAP crop with buy-up coverage selected.

NAP payment limitation for basic coverage remains at \$125,000 per individual or legal entity. Beginning, limited resource, and targeted underserved farmers or ranchers remain eligible for a NAP premium reduction.

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.

NAP coverage for eligible 2022 crops should be purchased at least 1 day before the crop is planted, but no later than the established NAP application for coverage closing date for the crop or crops listed as follows:

January 3, 2022 – 2022 honey.

March 15, 2022 – 2022 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 mentioned in other closing dates.

NAP application for coverage deadlines are also posted on the Washington State FSA website located here. Contact your local county FSA office if you are interested in applying for NAP coverage, or if you have any questions regarding NAP availability or application closing dates.

Marketing Assistance Loans, Loan Deficiency Payments, and Certificates Available

FSA Marketing Assistance Loans are available for 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 2021 harvested farm-stored or warehouse-stored commodity is used as collateral for the loan. Marketing Assistance Loans mature 9 months after the month loan funds are disbursed to you, with repayment due at loan maturity. 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. Producers who are eligible for marketing assistance loans can

obtain a loan deficiency payment (LDP) in lieu of a loan. LDP's are available when the posted county price for a crop falls below the county loan rate. You can check the daily LDP rates online at https://www.fsa.usda.gov/programs-and-services/price-support/Index.

For a commodity to be eligible for a loan, loan deficiency payment, 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.

Marketing assistance loans or loan deficiency payments are available for wheat, barley, oats, corn, dry peas, lentils, small chickpeas, large chickpeas, grain sorghum, soybeans, sunflower seed, rapeseed, canola, safflower seed, flaxseed, mustard seed, crambe, sesame seed, graded and non-graded wool, mohair, and honey. Unshorn pelts are available for an LDP only. If you are interested, please contact <u>your local FSA county office</u> to learn more about Marketing Assistance Loans.

Get Commodity Loan Paperwork in Early to Receive Funds in 2021

If you are interested in obtaining a commodity loan and would like to have funds disbursed before the end of 2021 calendar year, **please request your loan and submit all required documents by December 17, 2021**. If not, please contact your local county office staff to verify when they will be available during the busy holiday season to process your loan request. Staff need sufficient time to process loans and trigger funds for disbursement before **noon on Monday, December 28**. After that, loan requests and funds cannot be disbursed until payment software is re-opened on the first workday of the New Year, **January 3, 2022**.

Election and Enrollment for 2022 ARC/PLC Programs

The 2018 Farm Bill reauthorized the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. Elections and enrollment for 2021 ARCPLC began on **October 18**, **2021 and will run through March 15**, **2022**.

The 2018 Farm Bill allows for changes to the farm election for 2022. Any producers wishing to make changes to the farm election must obtain signatures from all producers on the farm with an interest in the farm's cropland acres (excluding CRP) for the new election to be considered valid. Producers may elect to enroll in PLC, ARC-CO, or ARC-IC programs for 2022. Elections to PLC or ARC-CO are made on a covered commodity by covered commodity basis and all covered commodity base acres are elected into ARC-IC if that program is chosen for a farm.

Failure to agree to an election change for 2022 by **March 15, 2022** will result in the farm defaulting to the election made in the 2021 program year.

The 2018 Farm Bill provides that for farms 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.

Availability of Funds for Water Hauling

Many producers within Washington State have been faced with additional costs associated with water hauling for livestock due to drought conditions over the course of calendar year 2021. ELAP may provide assistance for associated costs above normal if the county triggered under an eligible drought condition.

Recent updates to the program changed the criteria for eligibility from strictly a D3 or higher designation on the National Drought Monitor to meeting eligibility criteria when the county hits a D2 designation for 8 consecutive weeks according to the National Drought Monitor. All eligible livestock producers may be eligible to receive assistance through the Emergency Livestock Assistance Program (ELAP) for water hauling if:

- Water was transported to eligible livestock that are were on (or are on) eligible grazing land that under normal conditions does not require water to be transported to it
- The county has met required drought conditions or an approved adverse weather event

Payments under ELAP are issued on the lesser of the cost to transport water for 150 days or the actual number of gallons transported to the eligible livestock. All eligible livestock producers wishing to file an application for water hauling must provide verifiable or reliable documentation of the cost to transport water to eligible livestock.

All producers wishing to inquire about water hauling assistance should contact their local FSA office. The deadline for program year 2021 applications is January 31, 2021.

New ELAP Feed Transportation Program

ELAP provides financial assistance to eligible producers of livestock, honeybees and farmraised fish for losses due to disease, certain adverse weather events or loss conditions as determined by the Secretary of Agriculture. The ELAP program was recently updated to now cover feed transportation costs where grazing and hay resources have been depleted.

USDA will reimburse eligible ranchers 60% of feed transportation costs above what would have been incurred in a normal year. Producers qualifying as underserved (socially disadvantaged, limited resource, beginning or military veteran) will be reimbursed for 90% of the feed transportation cost above what would have been incurred in a normal year.

USDA uses a national cost formula to determine reimbursement costs that will not include the first 25 miles and distances exceeding 1,000 transportation miles. The calculation will also exclude the normal cost to transport hay or feed if the producer normally purchases some

feed. For 2021, the initial cost formula of \$6.60 per mile will be used (before the percentage is applied).

An online tool is available to help assist with estimated payment calculations and can be found here: <u>Emergency Assistance for Livestock, Honeybees and Farm-raised Fish Program (ELAP)</u> While the tool can be utilized to provide estimated payment calculations, it is important to note that it is not an official application. All livestock producers within eligible counties wishing to file an application should contact their local FSA office to request an application. The program deadline for the 2021 program year is January 31, 2021.

Required Certification for Honeybee Producers

All honeybee producers must provide certification of the number of colonies, the type, and names with shares of all producers who have an interest in the colonies **by January 2nd of each year**. Additionally, producers must also report within **30 days** any changes to their honeybee operations such as, acquisitions, splits, sales or disbursements, or transportations in/out of the county of bees that are associated to their operation. Failure to provide timely certification and changes will affect eligibility under Emergency Livestock Assistance Program (ELAP) for Colony Collapse Disorder (CCD) and other disaster events.

National Weather Service

Did you know that the National Weather Service in Spokane has an experimental Cold Advisory for Newborn Livestock (CANL)? This product targets livestock that are less than 24 hours old, and have difficulty regulating their body temperature. The criteria is based on wind chill, precipitation amounts and cloud cover. To learn more about this, check out our webpage: www.weather.gov/otx/canl

Do you have a reliable weather source on your phone? If not, consider going to mobile.weather.gov where you can create a bookmark that works like an app. If you have any questions about these products or other resources, please email us at nws.spokane@noaa.gov and we would be happy to help.

First 2022 Acreage Reporting Deadline Approaching

Producers are reminded that programs administered by the Farm Service Agency have a component which requires producers to timely report their planted acreages and land uses. December 15, 2021 is our first such deadline for producers of fall planted crops to report their fall plantings to FSA.

Producer applying for NAP coverage for their honey production have until January 2, 2022 to provide their beginning colony reports to FSA. Colony reports must be updated when colonies are moved to a different county or State. These updates are required within 10 days arriving at their new county location.

Fruit and nut producers can also provide their planted acreages for the 2022 crop year. January 15, 2022 is the date for perennial fruit growers including raspberry and blueberry producers to report their planted acreage.

Missing the deadline can result in loss program benefits. Benefits can usually be regained by making a request to the County Committee. Producers making a request to file acreages after the reporting dadline are required to pay the costs of a field visit to verify the crops and acreage reported after the established reporting date. Depending on your farming operation, these visits can become costly, and completely avoidable by calling the county office and arranging a meeting to provide the acreage data.

Producers with CRP must also certify their contract acreages before July 15th each calendar year. County Offices work hard to ensure contract acreages are certified, but it is your responsibility to ensure program compliance, and as such, if you have made changes to your CRP contracts, you may find it beneficial to contact the County Office to ensure your farm's compliance.

There are several options including virtual meeting appointments that can be utilized to fulfil the acreage reporting requirements. Working with your County Office on which option is best for you begins with a phone call to request an appointment.

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 \$1,825,000, 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 \$1,825,000; 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.

2021 Farm Service Agency County Committee Elections Underway

Ballots Have Been Mailed to Eligible Voters

The U.S. Department of Agriculture (USDA) mailed ballots on November 1, 2021 for the Farm Service Agency (FSA) county and urban county committee elections to all eligible agricultural producers and private landowners across the country. Elections are occurring in certain Local Administrative Areas (LAA) for these committee members who make important decisions about how federal farm programs are administered locally. To be counted, producers and landowners must return ballots to their local FSA county office or be postmarked by Dec. 6, 2021.

"Now is your opportunity to elect fellow farmers and ranchers in your community to serve on the local county committee," said FSA Administrator Zach Ducheneaux. "These committees are a critical piece to the work we do by providing knowledge and judgment as decisions are made about the services we provide. Your voice and vote matters."

Producers must participate or cooperate in an FSA program to be eligible to vote in the county committee election. A cooperating producer is someone who has provided information about their farming or ranching operation but may not have applied or received FSA program benefits. Also, for County Committee elections, producers who are not of legal voting age, but supervise and conduct the farming operations of an entire farm, are eligible to vote.

Producers can find out if their LAA is up for election and if they are eligible to vote by contacting their local FSA county office. Eligible voters who do not receive a ballot in the mail can request one from their local FSA county office. To find your local USDA Service Center, visit farmers.gov/service-locator. Visit fsa.usda.gov/elections for more information.

About Committees

Each committee has from three to 11 elected members who serve three-year terms of office, and at least one seat representing an LAA is up for election each year. Newly elected committee members will take office Jan. 1, 2022.

Garfield County Committee Makeup Election

A makeup election will be conducted this fall for the Garfield County Committee for LAA 1 (northwest Garfield County). County Committee Member Jacob Gwinn resigned in January 2021 and the time remaining on his 3-year term will be filled through the makeup election.

The nomination period is now open and to be considered, a producer must sign an FSA-669A nomination form. All nomination forms for the 2021 Garfield County makeup election must be postmarked or received in the local FSA county office by December 2, 2021.

To be eligible to serve on an FSA county committee, a person must participate or cooperate in an agency administered program and reside in the LAA where the election is being held. A complete list of eligibility requirements, more information and nomination forms are available at https://www.fsa.usda.gov/news-room/county-committee-elections/index. Nationwide, more than 7,700 dedicated members of the agricultural community serve on FSA county committees. The committees are made of three to 11 members and typically meet once a month. Members serve three-year terms. Producers serving on FSA county committees play a critical role in the day-to-day operations of the agency.

Important Dates and Deadlines

December 6, 2021 – County Committee ballots are due to FSA county offices or postmarked by this date.

December 15, 2021 – 2022 crop acreage reporting deadline for fall-seeded crops. This includes fall-planted alfalfa, canola, lentils, mint, onions, peas, and small grains. 2021 NAP production reports due for all listed crops.

December 17, 2021 – Last day to submit all required documents for a commodity loan request or schedule an appointment with local county FSA office to ensure loan disbursal in the 2021 calendar year.

December 24, 2021 – Friday observance of Christmas Day. USDA service centers will be closed.

December 31, 2021 – Friday observance of New Year's Day. USDA service centers will be closed.

January 1, **2022** – Newly elected county committee members take office.

January 3, 2022 – Deadline to obtain 2022 crop year NAP coverage for honey.

January 3, 2022 – 2022 crop acreage reporting deadline for honey (full list of Washington State NAP dates posted here). 2021 NAP honey production due.

January 7, 2022 – Deadline to apply for 2020 and 2021 OTECP.

January 17, 2022 – Martin Luther King, Jr. Day. USDA Service Centers will be closed.

January 18, 2022 – 2022 crop acreage reporting deadline for apples, apricots, blueberries, cherries, cranberries, grapes, nectarines, peaches, pears, and plums. 2021 NAP production due for all listed crops.

January 30, 2022 – Deadline to file a 2021 ELAP Application for Payment and provide supporting documentation.

January 30, 2022 – Deadline to file a 2021 LFP Application for Payment and provide supporting documentation.

January 30, 2022 – Deadline to file a 2021 ELAP Notice of Loss for 2021 livestock feed transportation, water transportation and honeybee feed losses that have occurred due to an eligible drought.

February 15, 2022 – Deadline to pay 2021 NAP Premiums.

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