

Washington State FSA Newsletter - December 1, 2022

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## Fall Planted Crops 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, 2022 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, 2023 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 2023 crop year. January 15, 2023, 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 deadline 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 15<sup>th</sup> 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.

# 2022 NAP Crop Production Reporting Deadline Approaching

Reporting of actual harvested production from the 2022 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 2022 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, 2022. 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 2022 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 2022 NAP covered honey must provide total harvested production by January 3, 2023 for all honey produced during the 2022 calendar year. 2022 NAP covered tree fruits (apples, apricots, cherries, nectarines, peaches, pears, plums) and nuts, blueberries, cranberries and grapes must report actual harvested production by January 16, 2023 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 2023 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 on the lesser of 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 application for coverage deadlines are posted on the Washington State FSA website located <a href="https://example.com/here">here</a>. 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 2022 harvested farmstored 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 <a href="https://www.fsa.usda.gov/programs-and-services/price-support/Index">https://www.fsa.usda.gov/programs-and-services/price-support/Index</a>.

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.

# **Election and Enrollment for 2023 ARC/PLC Programs**

The 2018 Farm Bill reauthorized the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. Elections and enrollment for 2023 ARCPLC began on **October 17**, **2022 and will run through March 15**, **2023**.

The 2018 Farm Bill allows for changes to the farm election for 2023. 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 2023. 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 2023 by **March 15, 2023** will result in the farm defaulting to the election made in the 2022 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.

# Announcing Emergency Relief Program Phase 1 Sign-up Deadline

The Emergency Relief Program (ERP) Phase 1 utilized a streamlined process to provide assistance to producers who received crop insurance indemnity, a NAP payment or both. Producers who received qualifying crop insurance indemnities were mailed pre-filled applications using RMA data beginning in May 2022, followed by a additional mailing in September 2022.

In July 2022, NAP producers were mailed pre-filled applications using data already on file with FSA.

**December 16, 2022** has been announced as the deadline to timely file your Phase 1 ERP application. Unfortunately, if you did not receive a prefilled application previously, FSA has no means to create an application for you. If you received an application previously and have misplaced it, you may reach out to the local FSA office and request a reprint of the application be provided to you.

Producers wishing to file for phase 1 benefits are reminded also that all supporting eligibility forms and documents must be received by FSA before **February 14**, **2023**. There are no late-file provisions, so it is extremely important that eligible producers and entities promptly file their applications. Applications filed after **December 16**, **2022** will not be acted on, however you will be provided an opportunity to apply under phase 2 once those rules and regulations are established and a sign-up period announced.

# **USDA Provides Payments of nearly \$800 Million** in Assistance to Help Keep Farmers Farming

Immediate Help for Over 13, 000 Distressed USDA Farm Loan Borrowers; Begins process to provide up to \$500 million more for up to 23, 000 additional borrowers

The U.S. Department of Agriculture (USDA) today announced that distressed borrowers with qualifying USDA farm loans have already received nearly \$800 million in assistance, as part of the \$3.1 billion in assistance for distressed farm loan borrowers provided

through Section 22006 of the Inflation Reduction Act (IRA). The IRA directed USDA to expedite assistance to distressed borrowers of direct or guaranteed loans administered by USDA's Farm Service Agency (FSA) whose operations face financial risk.

Today's announcement kicks off a process to provide assistance to distressed farm loan borrowers using several complementary approaches, with the goal of keeping them farming, removing obstacles that currently prevent many of these borrowers from returning to farming, and improving the way that USDA approaches borrowing and servicing. Through this assistance, USDA is focused on generating long-term stability and success for distressed borrowers.

"Through no fault of their own, our nation's farmers and ranchers have faced incredibly tough circumstances over the last few years," said Agriculture Secretary Tom Vilsack.

"The funding included in today's announcement helps keep our farmers farming and provides a fresh start for producers in challenging positions."

Work has already started to bring some relief to distressed farmers. As of today, over 13,000 borrowers have already benefited from the resources provided under the Inflation Reduction Act as follows:

Approximately 11,000 delinquent direct and guaranteed borrowers had their accounts brought current. USDA also paid the next scheduled annual installment for these direct loan borrowers giving them peace of mind in the near term.

Approximately 2,100 borrowers who had their farms foreclosed on and still had remaining debt have had this debt resolved in order to cease debt collections and garnishment relieving that burden that has made getting a fresh start more difficult.

In addition to the automatic assistance already provided, USDA has also outlined steps to administer up to an additional \$500 million in payments to benefit the following distressed borrowers:

USDA will administer \$66 million in separate automatic payments, using COVID-19 pandemic relief funds, to support up to 7,000 direct loan borrowers who used FSA's disaster-set-aside option during the pandemic to move their scheduled payments to the end of their loans.

USDA is also initiating two case-by-case processes to provide additional assistance to farm loan borrowers. Under the first new process, FSA will review and assist with delinquencies from 1,600 complex cases, including cases in which borrowers are facing bankruptcy or foreclosure. The second new process will add a new option using existing direct loan servicing criteria to intervene more quickly and help an estimated 14,000 financially distressed borrowers who request assistance to avoid even becoming delinquent.

More details on each of the categories of assistance, including a downloadable fact sheet, are available on the Inflation Reduction Act webpage on farmers.gov.

Similar to other USDA assistance, all of these payments will be reported as income and borrowers are encouraged to consult their tax advisors. USDA also has resources and

partnerships with cooperators who can provide additional assistance and help borrowers navigate the process.

The announcement today is only the first step in USDA's efforts to provide assistance to distressed farm loan borrowers and respond to farmers and to improve the loan servicing efforts at USDA by adding more tools and relaxing unnecessary restrictions.

Additional announcements and investments in assistance will be made as USDA institutes these additional changes and improvements.

This effort will ultimately also include adding more tools and relaxing unnecessary restrictions through assistance made possible by Congress through the IRA. Further assistance and changes to the approach will be made in subsequent phases.

#### **Background**

USDA provides access to credit to approximately 115,000 producers who cannot obtain sufficient commercial credit through direct and guaranteed farm loans, which do *not* include farm storage facility loans or marketing assistance loans. With the funds and direction Congress provided in Section 22006 of IRA, USDA is taking action to immediately provide relief to qualifying distressed borrowers whose operations are at financial risk while working on making transformational changes to how USDA goes about loan servicing in the long run so that borrowers are provided the flexibility and opportunities needed to address the inherent risks and unpredictability associated with agricultural operations and remain in good financial standing.

In January 2021, <u>USDA suspended foreclosures</u> and other adverse actions on direct farm loans due to the pandemic and encouraged guaranteed lenders to follow suit. Last week, USDA reiterated this request to guaranteed lenders to provide time for the full set of IRA distressed borrower assistance to be made available before lenders take irreparable actions.

Producers can explore available loan options using the Farm Loan Discovery Tool on farmers.gov (also available in Spanish) or by contacting their local USDA Service Center. Producers can also call the FSA call center at 877-508-8364 between 8 a.m. and 7 p.m.

Eastern. USDA has tax-related resources available at farmers.gov/taxes.

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris Administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit <a href="https://www.usda.gov">www.usda.gov</a>.

USDA is an equal opportunity provider, employer, and lender.

## Vacancy Announcements for Permanent FSA Positions in WA State

### Garfield-Asotin County - Program Technician

The Farm Service Agency offices located in Pomeroy and Clarkston, WA are accepting applications for a Full-Time Permanent Program Technician position. Duties include carrying out office activities related to farm programs. The full vacancy announcement which includes qualifications and eligibility requirements are posted on USA Jobs at <a href="https://www.usajobs.gov">www.usajobs.gov</a> and the position closes December 5, 2022.

### **Spokane County - Program Technician**

The Farm Service Agency office located in Spokane Valley, WA is accepting applications for a Full-Time Permanent Program Technician position. Duties include carrying out office activities related to farm programs. The full vacancy announcement which includes qualifications and eligibility requirements are posted on USA Jobs at <a href="https://www.usajobs.gov">www.usajobs.gov</a> and the position closes December 5, 2022.

### **Whitman County - Program Technician**

The Farm Service Agency office located in Colfax, WA is accepting applications for a Full-Time Permanent Program Technician position. Duties include carrying out office activities related to farm programs. The full vacancy announcement which includes qualifications and eligibility requirements are posted on USA Jobs at <a href="https://www.usajobs.gov">www.usajobs.gov</a> and the position closes December 5, 2022.

### **Lewis County - Program Technician**

The Farm Service Agency office located in Chehalis, WA is accepting applications for a Full-Time Permanent Program Technician position. Duties include carrying out office activities related to farm programs. The full vacancy announcement which includes qualifications and eligibility requirements are posted on USA Jobs at <a href="https://www.usajobs.gov">www.usajobs.gov</a> and the position closes December 5, 2022.

## FSA Looking for Part-time Assistance in Various Locations

Washington State Farm Service Agency (FSA) is hiring part-time, Temporary Program Technician (PT), positions in **Skagit County**, **Spokane County**, **and Yakima County**. This is a great opportunity for students or those that can only commit to a part-time schedule.

Duties include general office activities supporting FSA programs administered at the field level. Successful applicants must be reliable, have a professional attitude, enjoy working with the public. The Spokane position will require a valid driver's license for day travel to

local offices in Lincoln, Adams, and Whitman counties. The hourly rate depends on education and experience and ranges from \$15.47 to \$30.76.

Applicant closing dates will vary by location. If you are interested or know of someone who might be interested, please share this information with them. To apply please submit a copy of your resume to the following. You may also contact the number listed for specific questions regarding the position:

- Skagit County <a href="mailto:chamberlain@usda.gov">chamberlain@usda.gov</a> 360-488-4814
- Spokane County <u>martin@usda.gov</u> 509-323-3036
- Yakima County <u>delamora@usda.gov</u> and <u>geremy.nelson@usda.gov</u> 509-367-8540

## FSA Encourages Farmers and Ranchers to Vote in County Committee Elections

The 2022 Farm Service Agency County Committee Elections began on Nov. 7, 2022, when ballots were mailed to eligible voters. The deadline to return ballots to local FSA offices, or to be postmarked, is Dec. 5, 2022.

County committee members are an important component of the operations of FSA and provide a link between the agricultural community and USDA. Farmers and ranchers elected to county committees help deliver FSA programs at the local level, applying their knowledge and judgment to make decisions on commodity price support programs; conservation programs; incentive indemnity and disaster programs for some commodities; emergency programs and eligibility. FSA committees operate within official regulations designed to carry out federal laws.

To be an eligible voter, farmers and ranchers must participate or cooperate in an FSA program. A person who is not of legal voting age but supervises and conducts the farming operations of an entire farm, may also be eligible to vote. A cooperating producer is someone who has provided information about their farming or ranching operation(s) but may not have applied or received FSA program benefits.

Eligible voters who do not receive a ballot can obtain one from their local USDA Service Center. Newly elected committee members will take office Jan. 1, 2023.

The local administrative areas (LAAs) up for election in 2022 can be found at the LAA map on the Washington State FSA website at <a href="https://www.fsa.usda.gov/state-offices/Washington/index">https://www.fsa.usda.gov/state-offices/Washington/index</a>.

More information on county committees, such as the new 2022 fact sheet, can be found on the FSA website at <u>fsa.usda.gov/elections</u> or at a local USDA Service Center.

### **Important Dates and Deadlines**

**December 5, 2022** – County Committee ballots are due to FSA county offices or postmarked by this date.

**December 15, 2022** – 2023 crop acreage reporting deadline for fall seeded crops. This includes fall planted alfalfa, canola, lentils, mint, onions, peas, and small grains. This is also the deadline to report actual harvested production of 2022 NAP covered fall-seeded crops, including fall canola, fall mint, fall peas, fall lentils, fall seeded small grains.

**December 26, 2022** – Monday observance of Christmas Day. USDA service centers will be closed.

**December 31, 2022** – Deadline to obtain 2022 crop year NAP coverage for honey.

**January 2, 2023** – Monday observance of New Year's Day. USDA service centers will be closed.

**January 3, 2023** – 2023 crop acreage reporting deadline for honey. Also, the deadline to report 2022 NAP honey production.

**January 16, 2023** – 2023 Perennial Fruit and Nut Acreage Reporting deadline. This includes apples, apricots, blueberries, cherries, cranberries, grapes, nectarines, peaches, pears, and plums. 2022 NAP production is also due for all listed crops.

**January 30, 2023** – Deadline to file a 2022 ELAP or LFP Application for Payment and to provide supporting documentation.

February 15, 2023 – Deadline to pay 2022 NAP Premiums

### Washington State / FSA Office

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

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

Jon Wyss State Executive Director

**State Committee** 

Bernard "Butch" Ogden, Chair Brett Blankenship, Member

Jackie Richter, Member Jose Ramirez, Member

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