October 2019

USDA United States Department of Agriculture

Farm Service Agency Electronic News Service

NEWSLETTER

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October FSA Newsletter

Oregon State Farm Service Agency

7620 SW Mohawk St.
Tualatin, OR 97062

Phone: 503-692-3688
Fax: 855-824-6185
www.fsa.usda.gov/or

State Executive Director:
Barry Bushue

State Committee:
Anna Sullivan, Chair
Sam Asai, Member
Phil Hassinger, Member
TJ Hansell, Member
Denver Pugh, Member

A Message from our State Executive Director

Fall has arrived. Harvest for many is over, for some it continues despite the rain and cold. As the poem by James Whitcomb Riley says, "When the frost is on the punkin and the fodder's in the shock…the husky, rusty russel of the tossels of the corn, and the raspin' of the tangled leaves, as golden as the morn..."

The beautiful fall colors and any sunny days we get are part of the mystique that is Oregon. The diversity of agriculture in Oregon includes destination farms and agritourism. Pumpkin patches abound. Giant pumpkins, jack-o-lanterns, corn stalks, corn mazes and hay rides are a draw for our rural and urban neighbors. An opportunity for consumers to see farms first hand. Straw bales on porches providing a resting place for pumpkins, corn stalks, and gourds (and maybe the occasional ghost or goblin). They adorn homes in the countryside and the cities. Inside on cold wet nights houses are filled with the smells of pumpkin soup, winter squash with brown sugar and butter and topped off with a ham or roast or turkey on Thanksgiving. A testament to the production of our

Administration:
Martin Nguyen
Administrative Officer

Farm Programs:
Kent Willett, Acting Chief

Farm Loan Programs:
Kathey Brucker, Chief

Next STC Meeting:
December 18-19, 2019, STO.

To find contact information for your local office go to www.fsa.usda.gov/or

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farmers and ranchers and a unique opportunity for sharing the products of our farms.

Not all is as alluring as colored leaves and sunsets this time of year. Wet conditions in many parts of the state have created challenges for farmers and ranchers. Wet hay, disease issues, unharvested crops, production issues and planting challenges have had significant impacts on our agricultural; community.

Even though we always seem to bear the burdens and hope that next year is better, it doesn't make it any easier. A testament to the persistence and resilience of Oregon's farmers and ranchers.

For our FSA customers, there are deadlines and sign ups on the horizon. Some of them are included in this newsletter, others will come from your county office. As always, if you have any questions please feel free to drop in or contact your county office.

October Interest Rates

90 Day Treasury Bill: 2.000%
Direct Operating Loans: 2.750%
Farm Ownership and Conservation Loans: 3.250%
Farm Ownership Down Payment: 1.500%
Farm Ownership Joint Financing: 2.500%
Emergency Loans Actual Loss: 3.625%
Farm Storage Facility Loan 3 Year: 1.500%
Farm Storage Facility Loan 5 Year: 1.500%
Farm Storage Facility Loan 7 Year: 1.625%
Farm Storage Facility Loan 10 Year: 1.625%
Farm Storage Facility Loan 12 Year: 1.750%

Important Dates

Sept. 11, 2019: Applications accepted for WHIP+, milk loss, and loss of on-farm stored commodities resulting from eligible disaster (into 2020).
Oct. 31, 2019: Organic Certification Cost Share Program (OCCSP) applications due for FY 2019.
Nov. 4, 2019: FSA County Committee Elections begin, through Dec. 2, 2019.
Nov. 8, 2019: Conservation Stewardship Program (CSP) deadline extended.
Dec. 2, 2019: COC Elections: Last day to return voted COC Election Ballots to the USDA Service Center (Election ballots will be mailed out Nov. 4).
Dec. 6, 2019: Margin Facilitation Program (MFP) sign-ups end.
Dec. 13, 2019: Dairy Margin Coverage (DMC) Program 2020 signup ends.
Within 15 Days – earlier of (A) when a disaster occurred or damage to the crop or commodity becomes apparent or (B) normal harvest date for reporting a Notice of Loss for NAP*
Within 30 Days – when loss is apparent for reporting a Notice of Loss for LIP and ELAP.
TAP - Eligible producers should file for TAP assistance by the later of these two dates - 90 days of the disaster or when damages from the disaster are noticed; or 60 days after the regulation is published on the Federal Register later this summer.
March 15, 2020: ARC-PLC Program Year 2019 signup ends.
June 30, 2020: ARC-PLC Program Year 2020 signup ends.

USDA Opens Signup for Market Facilitation Program

Enrollment Open through Dec. 6

Signup is ongoing for the Market Facilitation Program (MFP), a U.S. Department of Agriculture (USDA) program to assist farmers who continue to suffer from damages because of unjustified trade retaliation from foreign nations. Through MFP, USDA will provide up to $14.5 billion in direct payments to impacted producers, part of a broader trade relief package announced in late July. The sign-up period runs through Dec. 6, 2019.

MFP payments will be made to producers of certain non-specialty and specialty crops as well as dairy and hog producers.

Non-Specialty Crops

MFP payments will be made to producers of alfalfa hay, barley, canola, corn, crambe, dried beans, dry peas, extra-long staple cotton, flaxseed, lentils, long grain and medium grain rice, millet, mustard seed, oats, peanuts, rapeseed, rye, safflower, sesame seed, small and large chickpeas, sorghum, soybeans, sunflower seed, temperate japonica rice, triticale, upland cotton, and wheat.

MFP assistance for 2019 crops is based on a single county payment rate multiplied by a farm's total plantings to the MFP-eligible crops in aggregate in 2019. Those per acre payments are not dependent on which of those crops are planted in 2019. A producer's total payment-eligible plantings cannot exceed total 2018 plantings. View payment rates by county.

Dairy and Hogs

Dairy producers who were in business as of June 1, 2019, will receive a per hundredweight payment on production history, and hog producers will receive a payment based on the number of live hogs owned on a day selected by the producer between April 1 and May 15, 2019.

Specialty Crops

MFP payments will also be made to producers of almonds, cranberries, cultivated ginseng, fresh grapes, fresh sweet cherries, hazelnuts, macadamia nuts, pecans, pistachios, and walnuts. Each specialty crop will receive a payment based on 2019 acres of fruit or nut bearing plants, or in the case of ginseng, based on harvested acres in 2019.

More Information

Payments will be made in up to three tranches, with the second and third tranches evaluated as market conditions and trade opportunities dictate. If conditions warrant, the second and third tranches will be made in November and early January.

MFP payments are limited to a combined $250,000 for non-specialty crops per person or legal entity. MFP payments are also limited to a combined $250,000 for dairy and hog producers and a combined $250,000 for specialty crop producers. However, no applicant can receive more than $500,000. Eligible applicants must also have an average adjusted gross income (AGI) for tax years 2015, 2016, and 2017 of less than $900,000, or 75 percent of the person's or legal entity's average AGI for those tax years must have been derived from farming and ranching. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.

More information can be found on farmers.gov/mfp, including payment information and a program application.

USDA Opens 2020 Enrollment for Dairy Margin Coverage Program; Ends Dec. 13, 2019

Dairy producers can now enroll in the Dairy Margin Coverage (DMC) for calendar year 2020. USDA's Farm Service Agency (FSA) opened signup for the program that helps producers manage economic risk brought on by milk price and feed cost disparities.

The DMC program offers reasonably priced protection to dairy producers when the difference between the all-milk price and the average feed cost (the margin) falls below a certain dollar amount selected by the producer. The deadline to enroll in DMC for 2020 is Dec. 13, 2019.

Dairy farmers earned more than $300 million dollars from the program in 2019 so far. Producers are encouraged to take advantage of this very important risk management tool for 2020.

All producers who want 2020 coverage, even those who took advantage of the 25 percent premium discount by locking in the coverage level for five years of margin protection coverage are required to visit the office during this signup period to pay the annual administrative fee.

Dairy producers should definitely consider coverage for 2020 as even the slightest drop in the margin can trigger payments.

More Information

The 2018 Farm Bill created DMC, improving on the previous safety net for dairy producers. DMC is one of many programs that FSA and other USDA agencies are implementing to support America's farmers.

For more information on enrolling in DMC and taking advantage of an online dairy decision tool that assists producers in selecting coverage for 2020, visit the DMC webpage.

For additional questions and assistance, contact your local USDA service center. To locate your local FSA office, visit farmers.gov/service-locator.

USDA Issues Safety-Net and Conservation Payments to Oregon Farmers

The U.S. Department of Agriculture's Farm Service Agency (FSA) in Oregon is processing payments in Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments for the 2018 crop year. Additionally, Oregon FSA will distribute Conservation Reserve Program (CRP) rental payments due to landowners to support voluntary conservation efforts on private lands.

FSA began processing payments for 2018 ARC-County (ARC-CO) or PLC on covered commodities that triggered payments on enrolled farms in the 2018 crop year. FSA anticipates issuing more payments in November once USDA's National Agricultural Statistics Service publishes additional commodity prices for the 2018 crop.

In Oregon, some counties have experienced a drop in price or revenues below the benchmark price established by the ARC or PLC programs and will receive payments.

Producers who had 2018 covered commodities enrolled in ARC-CO can visit www.fsa.usda.gov/arc-plc for payment rates applicable to their county and each covered commodity. For farms and covered commodities enrolled in 2018 PLC, the following crops met payment triggers: wheat,

barley, peanuts, corn, grain sorghum, dry peas, lentils and canola. Oats and soybeans did not meet 2018 PLC payment triggers.

2018 PLC payment rates for the following covered commodities have not been determined: large chickpeas, small chickpeas, sunflower seed, flaxseed, mustard seed, rapeseed, safflower, crambe, sesame seed, seed cotton, long grain rice, medium grain rice and temperate japonica rice.

Also, this week, USDA began issuing 2019 CRP payments to support voluntary conservation efforts on private lands. In Oregon, participating landowners will receive compensation for their efforts to improve water quality, reduce soil erosion and improve wildlife habitat on acres enrolled in CRP throughout the state.

For more information about USDA programs or to locate your FSA county office, visit www.farmers.gov.

USDA Offers Disaster Assistance for Oregon Farmers Hurt by 2018, 2019 Disasters

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Agricultural producers affected by natural disasters in 2018 and 2019, can apply through the Wildfire and Hurricane Indemnity Program Plus (WHIP+). Sign-up for this U.S. Department of Agriculture (USDA) program began Sept. 11.

WHIP+ Eligibility

WHIP+ will be available for eligible producers who have suffered eligible losses of certain crops, trees, bushes or vines in counties with a Presidential Emergency Disaster Declaration or a Secretarial Disaster Designation (primary counties only). Disaster losses must have been a result of hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms or wildfires that occurred in 2018 or 2019. Also, producers in counties that did not receive a disaster declaration or designation may still apply for WHIP+ but must provide supporting documentation to establish that the crops were directly affected by a qualifying disaster loss.

A list of counties that received qualifying disaster declarations and designations is available at farmers.gov/recover/whip-plus. Because grazing and livestock losses, other than milk losses, are covered by other disaster recovery programs offered through FSA, those losses are not eligible for WHIP+.

Eligible crops include those for which federal crop insurance or Noninsured Crop Disaster Assistance Program (NAP) coverage is available, excluding crops intended for grazing. A list of crops covered by crop insurance is available through USDA's Risk Management Agency (RMA) Actuarial Information Browser at webapp.rma.usda.gov/apps/actuarialinformationbrowser.

The WHIP+ payment factor ranges from 75 percent to 95 percent, depending on the level of crop insurance coverage or NAP coverage that a producer obtained for the crop. Producers who did not insure their crops in 2018 or 2019 will receive 70 percent of the expected value of the crop. Insured crops (either crop insurance or NAP coverage) will receive between 75 percent and 95 percent of expected value; those who purchased the highest levels of coverage will receive 95-percent of the expected value.

At the time of sign-up, producers will be asked to provide verifiable and reliable production records. If a producer is unable to provide production records, WHIP+ payments will be determined based on the lower of either the actual loss certified by the producer and determined acceptable by FSA or the county expected yield and county disaster yield. The county disaster yield is the production that

a producer would have been expected to make based on the eligible disaster conditions in the county.

WHIP+ payments for 2018 disasters will be eligible for 100 percent of their calculated value. WHIP+ payments for 2019 disasters will be limited to an initial 50 percent of their calculated value, with an opportunity to receive up to the remaining 50 percent after January 1, 2020, if sufficient funding remains.

Both insured and uninsured producers are eligible to apply for WHIP+. But all producers receiving WHIP+ payments will be required to purchase crop insurance or NAP, at the 60 percent coverage level or higher, for the next two available, consecutive crop years after the crop year for which WHIP+ payments were paid. Producers who fail to purchase crop insurance for the next two applicable, consecutive years will be required to pay back the WHIP+ payment.

Additional information about WHIP+ program eligibility and payment limitations can be found at farmers.gov/recover or by contacting your local USDA Service Center.

Additional Loss Coverage

The Milk Loss Program will provide payments to eligible dairy operations for milk that was dumped or removed without compensation from the commercial milk market because of a qualifying 2018 and 2019 natural disaster. Producers who suffered losses of harvested commodities, including hay, stored in on-farm structures in 2018 and 2019 will receive assistance through the On-Farm Storage Loss Program.

Additionally, producers with trees, bushes or vines can receive both cost-share assistance through FSA's Tree Assistance Program (TAP) for the cost of replanting and rehabilitating eligible trees and WHIP+ will provide payments based on the loss value of the tree, bush or vine itself. Therefore, eligible producers may receive both a TAP and a 2017 WHIP or WHIP+ payment for the same acreage. In addition, TAP policy has been updated to assist eligible orchardists or nursery tree growers of pecan trees with a tree mortality rate that exceeds 7.5 percent (adjusted for normal mortality) but is less than 15 percent (adjusted for normal mortality) for losses incurred during 2018.

Prevented Planting

Agricultural producers faced significant challenges planting crops in 2019 in many parts of the country. All producers with flooding or excess moisture-related prevented planting insurance claims in calendar year 2019 will receive a prevented planting supplemental disaster ("bonus") payment equal to 10 percent of their prevented planting indemnity, plus an additional 5 percent will be provided to those who purchased harvest price option coverage.

As under 2017 WHIP, WHIP+ will provide prevented planting assistance to uninsured producers, NAP producers and producers who may have been prevented from planting an insured crop in the 2018 crop year and those 2019 crops that had a final planting date prior to January 1, 2019.

For more information on FSA disaster assistance programs, please contact your local USDA service center or visit farmers.gov/recover. For all available USDA disaster assistance programs, go to USDA's disaster resources website.

FSA Encourages Farmers and Ranchers to Vote in County Committee Elections

The 2019 Farm Service Agency County Committee Elections begins on Nov. 4, when ballots were mailed to eligible voters. The deadline to return the ballots to local FSA offices, or to be postmarked, is **Dec. 2, 2019**.

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.

Newly elected committee members will take office Jan. 1, 2020.

Eligible voters who do not receive a ballot can obtain one from their local USDA Service Center. More information on county committees, such as the new 2019 fact sheet, can be found on the FSA website at fsa.usda.gov/elections or at a local USDA Service Center.

USDA Extends Deadline for Producers to Enroll in Conservation Stewardship Program Grassland Conservation Initiative

Deadline extended to Nov. 8, 2019

USDA is extending the deadline to November 8, 2019, for eligible agriculture producers to enroll in the Conservation Stewardship Program (CSP) Grassland Conservation Initiative, which was created by the 2018 Farm Bill. The original deadline was October 25, 2019.

This program is available to producers with base acreage that has been in grass or grasslands over a nine-year period, rather than planted with commodity crops.

Eligible producers received letters from USDA's Farm Service Agency (FSA) earlier this year, which included information on how to apply through field offices of USDA's Natural Resources Conservation Service (NRCS).

When enrolling in the CSP Grassland Conservation Initiative, producers must meet or exceed the stewardship threshold for one priority resource concern by the end of their five-year contract. Producers receive $18 per acre per year for the next five years.

This initiative has different rules than the rest of CSP and is administered separately. Eligible producers who apply are accepted into the initiative. There is no ranking period, and CSP payment limitations do not apply.

Eligible operations have base acres, which are lands where producers have historically grown commodity crops, where crops have not been grown from January 1, 2009, through December 31, 2017, and the land has returned to grass or grasslands. Formerly, these producers would have been available for assistance through the Agriculture Risk Coverage and Price Loss Coverage programs administered by FSA. Now, this assistance is made available through the CSP Grassland Conservation Initiative.

For more information, contact your local NRCS field office.

Malted Grains and Maple Syrup Eligible for Farm Storage Facility Loans

Malted small grains and maple syrup are now eligible for Farm Storage Facility Loans (FSFL) through the USDA Farm Service Agency (FSA).

FSFLs provide low-interest financing to producers to build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

The eligible commodities have been expanded to include malted small grains and maple syrup. Eligible malted small grains include barley, oats, rice, rye and wheat. Maple sap is used to produce maple syrup.

The low-interest funds can be used for:

- bottler or filling systems for maple syrup, excluding containers
- equipment to improve, maintain, or monitor the quality of stored FSFL commodities, such as cleaners, moisture testers, heat detectors, along with a proposed storage facility
- handling and drying equipment determined by the County Committee to be needed and essential to the proper functioning of a storage system
- electrical equipment, such as pumps, lighting, motors, and wiring, integral to the proper operation of the storage and handling equipment, excluding installing electric service to the electrical meter.

FSFLs are not available for the actual processing of the small grain into the malted commodity or maple sap into maple syrup. Additionally, purchased commodities are not eligible for FSFLs.

The following storage and handling equipment is ineligible for FSFLs:

- boiling equipment
- feed handling and processing equipment
- production and feed facilities
- structures of a temporary nature not having a useful life of the term of the loan
- maple sap tubing and pumping systems.

Loans up to $50,000 can be secured by a promissory note/security agreement and loans between $50,000 and $100,000 may require additional security. Loans exceeding $100,000 require additional security.

Producers do not need to demonstrate the lack of commercial credit availability to apply. The loans are designed to assist a diverse range of farming operations, including small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

To learn more about the FSA Farm Storage Facility Loan, visit www.fsa.usda.gov/pricesupport or contact your local FSA office.

Loans for Targeted Underserved Producers

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or to purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, FSA has provided priority funding for members of targeted underserved applicants.

A targeted underserved applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, targeted underserved groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.
