

March 2018



Farm Service Agency **Electronic News Service**

NEWSLETTER

GovDelivery

Having trouble viewing this email? [View it as a Web page.](#)

- [MPP-Dairy](#)
- [Farm Service Agency is Hiring in Washington State](#)
- [Submit Loan Requests for Financing Early](#)
- [USDA Processing Pending CRP Continuous Enrollment Offers](#)
- [Transitioning Expiring CRP Land to Beginning, Veteran or Underserved Farmers and Ranchers](#)
- [Deadline to Cover Non-insurable 2018 Crops Quickly Approaches](#)
- [Report Damage or Loss of NAP Covered Crops](#)
- [Policy Updates for Acreage Reporting](#)
- [Cover Crop Guidelines](#)
- [Organic Producers and Handlers May Apply for Certification Cost Share Reimbursements](#)
- [Deadlines for Commodity Loans](#)
- [Filing Adjusted Gross Income \(AGI\) Certifications to Prevent Payment Delays](#)
- [Important Dates and Deadlines](#)

Washington State FSA Newsletter

Washington State Farm Service Agency

316 W. Boone Ave., Ste 568
Spokane, WA 99201

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

www.fsa.usda.gov/wa

State Executive Director:
Brian Dansel

MPP-Dairy

The Bipartisan Budget Act of 2018 signed on February 9, 2018, made changes to the 2018 MPP-Dairy program and some disaster programs. A number of steps need to take place before FSA county offices can begin implementing the changes. We will be communicating next steps soon, and we are working to quickly get all of the programs up and running.

Farm Service Agency is Hiring in Washington State

State Committee:

Melanie Wyss, Chair
Jesus Limon, Member
Maureen Harkcom, Member
Robyn Meenach, Member

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

The Farm Service Agency is hiring for program technician positions in Washington. FSA is seeking applicants for program technicians in Adams and Lincoln county offices. The agency is looking for qualified applicants who are interested in living in rural communities and assisting farmers and ranchers. These vacancies close **March 15, 2018**.

Vacancies with FSA are posted on the USAJobs website. www.usajobs.gov

A direct link for the Adams County position is available in USAJOBS at the following link:

<https://www.usajobs.gov/GetJob/ViewDetails/492319800>

A direct link for the Lincoln County position is available in USAJOBS at the following link:

<https://www.usajobs.gov/GetJob/ViewDetails/492320100>

Or contact Mitzi Stephens at the FSA State Office at mitzi.stephens@wa.usda.gov or (509) 323-3007.

Submit Loan Requests for Financing Early

The Farm Service Agency's farm loan staff is already working on operating loans for spring 2018 so it is important that potential borrowers submit your requests early for timely processing. Farm loan employees can help determine which loan programs are best for applicants.

FSA offers a wide range of low-interest loans that can meet the financial needs of any farm operation for just about any purpose. The traditional farm operating and farm ownership loans can help large and small farm operations take advantage of early purchasing discounts for spring inputs as well as expenses throughout the year.

Microloans are a simplified loan program that will provide up to \$50,000 to eligible applicants. These loans, targeted for smaller operations and non-traditional operations, can be used for operating expenses, starting a new agricultural enterprise, purchasing equipment, and other needs associated with a farming operation. FSA staff can provide more details on farm operating and microloans and provide loan applications. Loans to beginning farmers and members of underserved groups are a priority.

Other types of loans available include:

Marketing Assistance Loans allow producers to use eligible commodities as loan collateral and obtain a 9-month loan while the

crop is in storage. These loans provide cash flow allowing you to market your crop when prices may be more advantageous.

Farm Storage Facility Loans can be used to build permanent structures used to store eligible commodities, or for storage and handling trucks, or portable or permanent handling equipment. A variety of structures are eligible under this loan, including bunker silos, grain bins, hay storage structures and refrigerated structures for vegetables and fruit. You may borrow up to \$500,000 per loan.

Please call your [county FSA office](#) if you have questions about any of the loans available through FSA.

USDA Processing Pending CRP Continuous Enrollment Offers

The Farm Service Agency is processing many pending eligible offers for land enrollment in the Conservation Reserve Program (CRP), and has temporarily suspended accepting most new offers until later in the 2018 fiscal year.

All current, eligible CRP continuous enrollment offers made through September 30, 2017, except for those made under the Pollinator Habitat Initiative (CP42), will be approved. Additionally, FSA is temporarily suspending acceptance of most offers going forward to provide time to review CRP allocation levels, and to avoid exceeding the statutory cap of 24 million acres.

The CRP acreage cap is a provision of the 2014 Farm Bill. Current enrollment is about 23.5 million acres nationwide. USDA is accepting all pending continuous enrollment offers that were made beginning on May 4, 2017, and extending through Sept. 30, 2017, except Pollinator Habitat Initiative offers. Pollinator acreage offers are being declined because the program has met its acreage enrollment goal. USDA suspended acceptance of all new CRP continuous offers received or submitted after September 30, 2017. The suspension will continue until later in the 2018 fiscal year.

However, FSA will continue to accept eligible offers for state-specific Conservation Reserve Enhancement Program (CREP) and CRP Grasslands enrollment. Offers received on or after October 1, 2017, are subject to fiscal year 2018 rental rates which have been adjusted to reflect current market conditions and were established after careful review of the latest USDA National Agricultural Statistics Service (NASS) cash rent data.

In return for enrolling in CRP, participants will receive rental payments and cost-share assistance. Landowners enter into contracts that last between 10 and 15 years. CRP pays farmers and ranchers who remove sensitive lands from production and plant certain grasses, shrubs and trees that improve water quality, prevent soil erosion and increase wildlife habitat.

For more information about CRP, contact [county FSA office](#) or visit www.fsa.usda.gov/crp.

Transitioning Expiring CRP Land to Beginning, Veteran or Underserved Farmers and Ranchers

Retired, or retiring landowners or operators, are encouraged to transition their Conservation Reserve Program (CRP) acres to beginning, veteran or underserved farmers or ranchers through

the Transition Incentives Program (TIP). TIP provides annual rental payments to the retiring farmer for up to two additional years after the CRP contract expires, provided the transition is not to a family member.

Enrollment in TIP is on a continuous basis. Beginning, veteran or underserved farmers and ranchers and retiring CRP participants may enroll in TIP beginning one year before the expiration date of the CRP contract or August 15. For example, if a CRP contract is scheduled to expire on September 30, 2018, the land may be offered for enrollment in TIP beginning October 1, 2017 through August 15, 2018. The August deadline allows the Natural Resources Conservation Service (NRCS) time to complete the TIP sustainable grazing or crop production conservation plans. The TIP application must be submitted prior to completing the lease or sale of the affected lands.

New landowners or renters must return the land to production using sustainable grazing or farming methods.

For more information on TIP, visit <https://www.fsa.usda.gov/conservation>.

Deadline to Cover Non-insurable 2018 Crops Quickly Approaches

The deadline to obtain NAP coverage for spring planted crops, not insurable through your crop insurance agent, is **March 15, 2018**. Non-insured Crop Disaster Assistance Program (NAP) coverage is an available tool to help mitigate financial risk. NAP covers uninsurable crops that are damaged, destroyed or prevented from being planted due to weather-related disaster conditions.

Basic catastrophic (CAT) coverage is available to protect against losses that exceed 50 percent of the expected yield at 55 percent of the approved NAP price for the crop. Or you can select buy-up coverage to increase the level of coverage, ranging from 50 to 65 percent of expected production, in 5 percent increments, at 100 percent of the approved NAP price for the covered crop. Organic or direct market price options are available, along with a historical marketing percentage option for multiple marketed crops. Buy-up coverage includes a premium cost in addition to the administrative fee. Beginning, limited resource, and traditionally underserved farmers can request a waiver of the service fee and a 50 percent premium cost reduction.

To apply for NAP coverage, an application for coverage and payment of the administrative fee must be submitted to your local FSA office. The NAP administrative fee is \$250 per crop, up to \$750 per county, with a maximum fee of \$1,875 for multiple crops in multiple counties, per applicant. Producers who select buy-up coverage will be billed for the premium amount due, which is based on 5.25 percent of the coverage value based on the level of coverage selected for your share of the acres planted to the NAP covered crop. An online NAP premium calculator is available to help you determine what level of coverage will work best and what the associated premium cost will be. The NAP premium calculator can be accessed by clicking on: <http://fsa.usapas.com/NAP.aspx>

NAP coverage should be purchased at least 30 days before the crop is planted, to ensure coverage attaches immediately upon planting. But coverage for eligible spring planted crops must be purchased no later than close of business on **March 15, 2018**. To learn more about the NAP program and to obtain coverage, contact your [county FSA office](#).

Report Damage or Loss of NAP Covered Crops

As winter weather comes to an end with perennial and fall planted crops beginning to emerge from dormancy, remember that any damage to or loss of Non-Insured Crop Disaster Assistance Program (NAP) crops must be reported to your [county FSA office](#).

NAP notice of loss must be filed for weather-related disaster events or adverse natural occurrences that cause damage to or loss of the NAP covered crop by the earlier 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
- 15 calendar days after the normal harvest date.

When a NAP covered crop is lost or significant damage occurs, replanting is required if feasible and the final planting date has not passed. If you decide the crop will be destroyed, abandoned, or not taken to harvest as intended, you must report this to your [county FSA office](#) so a field visit can be conducted by a certified loss adjuster. When the crop appraisal has been completed, the loss adjuster will release the field and you can destroy the covered crop acres, replant to a different crop, or harvest the acres for a different use.

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 [county FSA office](#) for more information.

Policy Updates for Acreage Reporting

The USDA Farm Service Agency (FSA) recently made several policy updates for acreage reporting of cover crops and grazing allotments and revised intended use and late-filed provisions. FSA also updated the definitions of “idle” and “fallow.”

Reporting Cover Crops:

FSA made changes to the types of cover crops. Cover crop types can be chosen from the following four categories:

- Cereals and other grasses - any cover crop that is classified as a grass plant or cereal grain, and would include, but not be limited to, the following cover crops: cereal rye, wheat, barley, oats, black oats, triticale, annual ryegrass, pearl millet, foxtail millet (also called German, Italian or Hungarian millet), sorghum sudan grass, sorghum and other millets and grasses.
- Legumes - any cover crop that is classified as a legume, including, but not limited to, clovers, vetches, peas, sun hemp, cowpeas, lentils and other legumes.
- Brassicas and other broadleaves - any cover crop that is classified as a non-legume broadleaf, including, but not limited to, brassicas such as radishes, turnips, canola, rapeseed, oilseed rape, and mustards, as well as other broadleaf plants such as phacelia, flax, sunflower, buckwheat, and safflower.
- Mixtures - mixes of two or more cover crop species planted at the same time, for example, oats and radishes. If the cover crop is harvested for any use other than forage or grazing

and is not terminated according to policy guidelines, then that crop will no longer be considered a cover crop and the acreage report must be revised to reflect the actual crop.

Permitted Revision of Intended use After Acreage Reporting Date:

New operators or owners, who pick up a farm after the acreage reporting deadline has passed and the crop has already been reported on the farm, have 30 days to change the intended use. Producer share interest changes alone will not allow for revisions to intended use after the acreage reporting date. The revision must be performed by either the acreage reporting date or within 30 calendar days from when the new operator or owner acquired the lease on the land, control of the land, or ownership in the previously reported crop acreage. Under this policy, appropriate documentation must be provided to the County Committee's satisfaction to determine that a legitimate operator or ownership and producer crop share interest change occurred to permit the revision.

Acreage Reports:

In order to maintain program eligibility and benefits, you must timely file acreage reports. Failure to file an acreage report by the crop acreage reporting deadline may result in ineligibility for future program benefits. FSA will not accept acreage reports provided more than a year after the acreage reporting deadline.

Reporting Grazing Allotments:

FSA offices can now accept acreage reports for grazing allotments. Use form "FSA-578" to report grazing allotments as animal unit months (AUMs) using the "Reporting Unit" field. The local FSA office will need the grazing period start and end date and the percent of public land.

Definitions of Terms

FSA defines "idle" as cropland or a balance of cropland within a Common Land Unit (CLU) (field/subfield) which is not planted or considered not planted and does not meet the definition of fallow or skip row. For example, the balance of a field that could not be planted due to moisture or a turn area that is not planted would be reported as idle.

Fallow is considered unplanted cropland acres which are part of a crop/fallow rotation where cultivated land that is normally planted is purposely kept out of production during a regular growing season. Resting the ground in this manner allows it to recover its fertility and conserve moisture for crop production in the next growing season.

Cover Crop Guidelines

The Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS) and Risk Management Agency (RMA) worked together to develop a consistent, simple and flexible policy for cover crop practices.

The termination and reporting guidelines were updated for cover crops.

Termination - The timelines for terminating cover crops are based on zones and apply to non-irrigated cropland. To view the zones and additional guidelines visit <https://www.nrcs.usda.gov/wps/portal/nrcs/main/national/landuse/crops/> and click "Cover Crop Termination Guidelines."

Reporting - The intended use of “cover only” will be used to report cover crops. This includes crops that were terminated by tillage and reported with an intended use code of green manure. An FSA policy change will allow cover crops to be hayed and grazed. Program eligibility for the cover crop that is being hayed or grazed will be determined by each specific program.

If the crop reported as cover only is harvested for any use other than forage or grazing and is not terminated properly, then that crop will no longer be considered a cover crop.

Crops reported with an intended use of cover only will not count toward the total cropland on the farm. In these situations a subsequent crop will be reported to account for all cropland on the farm.

Cover crops include grasses, legumes, and forbs, for seasonal cover and other conservation purposes. Cover crops are primarily used for erosion control, soil health improvement, and water quality improvement. The cover crop may be terminated by natural causes, such as frost, or intentionally terminated through chemical application, crimping, rolling, tillage or cutting. A cover crop managed and terminated according to NRCS Cover Crop Termination Guidelines is **not** considered a crop for crop insurance purposes.

Cover crops can be planted with no subsequent crop planted, before a subsequent crop, after prevented planting acreage, after a planted crop, or into a standing crop.

Organic Producers and Handlers May Apply for Certification Cost Share Reimbursements

Organic producers and handlers that receive organic certification from a USDA-accredited certifying agent can request cost-share assistance by filing an application with the local USDA-Farm Service Agency (FSA) office. FSA offices are accepting cost-share applications for the 2018 program year, through the application period deadline of **October 31, 2018**. The 2018 program year covers expenses paid from October 1, 2017 through September 30, 2018.

USDA-FSA reimburses organic producers up to 75 percent of the cost of organic certification. Eligible producers include any certified producers or handlers who have paid organic certification fees to a USDA-accredited certifying agent (other than WSDA-Washington State Department of Agriculture). Application fees, inspection costs, fees related to equivalency agreement/ arrangement requirements, travel/per diem for inspectors, user fees, sales assessments, and postage are all eligible for a cost-share reimbursement from USDA.

Once certified, producers and handlers are eligible to receive reimbursement for certification costs incurred during the 2018 program year, up to a maximum of \$750 per certification scope—crops, livestock, wild crops, and processing/handling.

Producers and handlers certified organic by WSDA-Washington State Department of Agriculture will receive cost-share reimbursement from WSDA and are not eligible to receive duplicate cost-share reimbursement from USDA-FSA.

To learn more about organic certification cost-share from USDA-FSA, please visit www.fsa.usda.gov/organic or contact your [county FSA office](#).

Deadlines for Commodity Loans

Farmers and landowners with 2017 crops in approved warehouse or farm storage that need an influx of cash for spring expenses can request a marketing assistance loan (MAL) and use the stored crop as loan collateral. MALs (otherwise known as commodity loans) are a marketing tool that enables you to obtain a short term loan, allowing you to delay sale of your crop until more favorable marketing conditions emerge. Commodity loans mature nine months after the month the loan is approved and funds are disbursed.

The final date to request a commodity loan on stored 2017 crops of wheat, barley, oats, honey, canola, crambe, flaxseed, rapeseed, and sesame seed is **March 31, 2018**. For stored 2017 crops of corn, dry peas, lentils, chickpeas, mustard seed, safflower seed, sunflower seed, soybeans, and grain sorghum the final date to request a commodity loan is **May 31, 2018**.

To inquire about commodity loans and interest rates, contact your [county FSA office](#).

Filing Adjusted Gross Income (AGI) Certifications to Prevent Payment Delays

Many producers have experienced delays in receiving Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments, Loan Deficiency Payments (LDPs) and Market Gains on Marketing Assistance Loans (MALs) because they have not filed form CCC-941, Adjusted Gross Income Certification. LDPs will not be paid until all eligible producers, including landowners who share in the crop, have filed a valid CCC-941.

Producers **without** a valid CCC-941 certifying compliance with the average adjusted gross income provisions will not receive payments. All farm operator/tenants/owners who have not filed a CCC-941 and have potential payments should **immediately** file the form with your recording county FSA office. Farm operators and tenants are encouraged to ensure that your landowners have filed the form. FSA has been issuing 2016 ARC/PLC payments and 2017 CRP payments.

FSA can accept the CCC-941 for 2014, 2015, 2016, 2017 and 2018. You must have the CCC-941 certifying your AGI compliance before any payments can be issued. When filling out the form, use the same name and address used for your tax returns. This will prevent problems caused by record mismatches when the IRS confirms adjusted gross income. Individuals must sign for yourselves and signatories for entities must be authorized to sign on behalf of the entity. If you have questions about AGI compliance, contact your [county FSA office](#).

Important Dates and Deadlines

March 15, 2018 – Deadline to request 2018 NAP coverage for artichokes, beets (seed or fresh), buckwheat, camelina, carrots (fresh or processing), small grain forages (wheat, barley, oats, peas), and any other spring planted crops not mentioned in other NAP application for coverage closing dates.

March 31, 2018 – Final date to file an application for a Livestock Indemnity Program (LIP) payment for 2017 livestock deaths. Notice of loss must have been previously filed.

March 31, 2018 – Final date to request a 2017 crop Marketing Assistance Loan (MAL) for wheat, barley, oats, honey, canola, crambe, flaxseed, rapeseed, and sesame seed.

May 31, 2018 – Final date to request a 2017 crop Marketing Assistance Loan (MAL) for corn, dry peas, grain sorghum, lentils, mustard seed, rice, safflower seed, chickpeas, soybeans, and sunflower seeds.

For previous issues of the FSA Washington newsletter and a list of annual program **reminders**, check the [newsletter page](#) on the FSA Washington website.

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).