Farm Service Agency Electronic News Service

NEWSLETTER

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Washington State FSA Newsletter

2018 Farm Bill

Congress has passed and the President has signed the 2018 Farm Bill, also known as the Agriculture Improvement Act. The bill continues most of the programs authorized under the 2014 Farm Bill with limited changes.

What happens next? USDA attorneys are now reviewing the statute and determining what programs are being continued, what changes have been made and what remains the same. After that, the Secretary will be making a number of policy decisions about the programs based on the discretion he is provided in the law. Then the attorneys and USDA staff from agencies like FSA, NRCS and RMA will develop the program regulations for implementing the programs. FSA will eventually develop the operating procedures and policies based on what is in the regulations, as well as develop the tools to implement the programs, like updated software.
all of that is done, FSA staff in County Offices can begin to implement the programs and accept applications.

There are variables in the processes above, and not all programs complete the process at the same time. FSA staff will begin publicizing the farm bill provisions as soon as these steps are completed, but it could be several weeks up to a few months before the staff in your local office have the details about how the programs might work for your operation.

Please rest assured that USDA understands the importance of standing these programs up as quickly as possible so you can learn about them and determine how they might fit your operation.

**Conservation Reserve Program Under the 2018 Farm Bill**

The Farm Bill makes several changes to CRP. Some will reduce rental payments and others may increase payments for certain sub-categories of the program. The statute increases the acreage cap for the program but targets certain acreage for specific versions of CRP. While many aspects of the program will not change, there could be significant impacts to specific categories of CRP. We will learn more about these as the process moves forward to roll out the 2018 Farm Bill.

With 1-year extensions approved on a large portion of the CRP contracts that were to expire September 30, 2018, there are now approximately 1.5 million acres under CRP contracts set to expire in 2019 and about 4.4 million acres will expire in 2020. For Washington, about 190,000 acres will expire is each of those years.

At this time, we do not know what the Secretary will do for CRP signups in 2019. We do know that subject is being reviewed by USDA. Once those decisions are made we will publicize as soon as we can. Watch this newsletter and bulletins from your local offices for updates.

**Market Facilitation Program**

The Market Facilitation Program (MFP) was originally announced with a sign-up deadline of January 15, 2019. Since producers were unable to apply during the lapse in federal funding, the signup deadline has been extended to February 14, 2019. Producers have until that date to complete their application. However, they have until May 1 to certify their 2018 production if harvest is not yet complete. But the initial signup has to be completed by February 14.
MFP provides benefits to help offset the impacts of trade disruptions on several crops and livestock types. Up until mid-December, applicants were receiving the announced payment rates on 50% of their 2018 production. In December, the Secretary determined there would be a payment on the second 50% of the production, at the same rate as the first payment. The payment rates are listed below.

Most producers who applied before mid-December should have received their 1\textsuperscript{st} and 2\textsuperscript{nd} payments by now. Producers applying after that will receive both payments at the same time. If you haven’t applied already be sure to contact your local office immediately to ensure you get an appointment before February 14.

<table>
<thead>
<tr>
<th>Crop/Livestock</th>
<th>1\textsuperscript{st} 50% Payment Rate</th>
<th>2\textsuperscript{nd} 50% Payment Rate</th>
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<tbody>
<tr>
<td>Almonds</td>
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<tr>
<td>Cherries, Fresh Sweet</td>
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<td>Corn</td>
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<tr>
<td>Hogs</td>
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2019 NAP Application for Coverage Closing Date Is Fast Approaching

The deadline to obtain NAP coverage for spring planted crops not insurable through your crop insurance agent is March 15, 2019. Non-insured Crop Disaster Assistance Program (NAP) coverage is an available tool to help mitigate financial risk. NAP covers uninsurable crops that are damaged, lost or prevented from being planted due to natural 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. Organic price coverage options are available.

To request NAP coverage, submit an application for coverage and pay the administrative fee by the application closing date for the requested crop or crops. Beginning, limited resource, and traditionally underserved farmers can request waiver of the service fee.

NAP coverage should be purchased at least 30 days before the crop is planted, to ensure coverage attaches immediately upon planting, but no later than close of business on Friday March 15,
2018 Production Reporting Deadline for NAP Covered Crops

Annual reporting of actual harvested production is a requirement for producers who obtained 2018 Non-Insured Crop Disaster Assistance Program (NAP) coverage. To retain program eligibility for 2018 losses, producers who obtained 2018 NAP coverage must report actual production to retain NAP program benefits and ensure future NAP actual production history (APH) reflects actual yield data for your crops.

Producers of 2018 NAP covered tree fruits (apples, apricots, cherries, nectarines, peaches, pears, plums), nuts, blueberries, cranberries, and grapes must report harvested 2018 production by February 14, 2019, which has been extended from the January 15, 2019 deadline due to government shutdown. If harvested production of 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, which affects future year NAP coverage.

If you have any questions about production reporting or NAP payment requirements, contact your county FSA office.

Commodity Loans and Loan Deficiency Payments Deadline

The deadline to request a marketing assistance loan (MAL) or loan deficiency payment (LDP) is quickly approaching. Requests for wheat, barley, oats, honey, canola, flaxseed, rapeseed, sesame seed, and crambe loans or LDP must be on file in your local FSA county office by close of business Monday April 1, 2019.

MALs (otherwise known as commodity loans) are a marketing tool that enables you to obtain an influx of cash for operating expenses, using your 2018 farm or warehouse stored crop as collateral for the loan. This allows 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 disbursed.

LDPs are a direct payment made in lieu of a commodity loan, and are available when the Commodity Credit Corporation determined value (lesser of the 30 day or 5 day average terminal market price for the crop adjusted for differentials and market adjustments) falls below the county loan rate. To be eligible for an LDP, you must have form CCC-633EZ Page 1 on file at your local county FSA office before you lose beneficial interest in your crop.

Contact your local county FSA office for more information.

FSA Farm Loans

Farm Service Agency has many Farm Loan options for financing for a farm or ranch.

- Farm Operating Loans
• Farm Ownership Loans
• Micro Loans
• Guaranteed Farm Loans
• Youth Loans

Each year Congress appropriates money for FSA farm loans as part of the USDA budget. The funds are appropriated for the Government’s fiscal year, which runs from October 1 until September 30 of the following year.

In addition to general funds, FSA has targeted funds that are reserved for under-represented groups and beginning farmers.

FSA is required to reserve and target a portion of its direct and guaranteed operating and farm ownership loan funds for use exclusively by socially disadvantaged applicants (SDA) and beginning farmers. SDAs are classified in one or more of the following categories: women, African Americans, Native Americans, Alaskan Natives, Hispanics, Asians, and Pacific Islanders. Beginning farmers are generally identified as having farmed for fewer than 10 years.

If you have any questions about FSA Farm Loans please contact your local Farm Loan Team Member or visit [https://www.fsa.usda.gov/programs-and-services/farm-loan-programs/farm-operating-loans/index](https://www.fsa.usda.gov/programs-and-services/farm-loan-programs/farm-operating-loans/index)

**Important Dates and Deadlines**

**February 14, 2019** – Deadline to apply for Market Facilitation Program

**February 14, 2019** – Deadline for performance reporting (Emergency Conservation Program)

**February 14, 2019** – Notice of loss due (Emergency Assistance Livestock, Honey Bees, and Farm-Raised Fish Program)

**February 14, 2019** – Notice of Loss due (Livestock Indemnity Program)

**February 14, 2019** – Notice of Loss due (Tree Assistance Program)

**February 14, 2019** - Production reporting deadline for 2018 NAP covered tree fruits, nuts, blueberries, cranberries and grapes.

**February 14, 2019** – Deadline for perennial fruit crops including grapes and cranberries (Acreage Reporting)

**February 28, 2019** – Deadline for 2018 application for payment due (Livestock Forage Disaster)

**March 15, 2019** – Deadline to request 2019 crop year NAP coverage for artichokes, beets (seed or fresh), buckwheat, camelina, carrots (fresh or processing), small grain forages (wheat, barley, oats,
peas) and other spring planted crops not mentioned in other NAP application for coverage closing dates.

**April 1, 2019** – Final date to request 2018 crop Marketing Assistance Loan (MAL) or LDP for wheat, barley, oats, honey, canola, crambe, flaxseed, rapeseed, and sesame seed.

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).