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Farm Service Agency **Electronic News Service**

NEWSLETTER

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

- [Policy Changes to CFAP 1 and CFAP 2](#)
- [FSA Encourages Farmers and Ranchers to Vote in County Committee Elections](#)
- [Election and Enrollment for 2021 ARC/PLC Program](#)
- [Notification of Payment Increase for the Livestock Forage Program](#)
- [Timely Acreage Reporting for 2021 Crops](#)
- [Sign Up for 2021 Dairy Margin Coverage](#)
- [NAP Coverage – Protection for 2021 Crops Available](#)
- [2020 NAP Crop Production Reporting Deadline Approaching](#)
- [Marketing Assistance Loans, Loan Deficiency Payments, and Certificates Available](#)
- [USDA Offers Farm Loans for Underserved and Beginning Farmers](#)
- [Looking for a Career at FSA?](#)
- [Snohomish County Committee Makeup Election](#)
- [Important Dates and Deadlines](#)

Washington State FSA Newsletter

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Policy Changes to CFAP 1 and CFAP 2

New policy changes have been announced for the Coronavirus Food Assistance Program (CFAP). The signup period for CFAP 1 ended on September 11, 2020, however, new and revised late-filed CFAP 1 applications for the following policy changes may still be accepted by your local county FSA offices if submitted by November 6, 2020. See details in the last paragraph. **New and revised CFAP 2 applications will be accepted by FSA through December 11, 2020.**

The new policy changes to both versions of CFAP include:

- All types of barley are now considered eligible non-specialty crops under CFAP 1. Originally only malting

State Executive Director:

Jon Wyss

State Committee:

Katlenia Vejraska, Chair
Maureen Harkcom, Member
Jesus Limon, Member
Robyn Meenach, Member
Bruce Nelson, Member

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

barley was an eligible crop for CFAP 1, so now FSA county offices can accept timely revised applications that include information on all barley types. For CFAP 1, eligible producers must provide their total 2019 barley production and their unsold 2019 barley production on hand as of Jan. 15, 2020. For CFAP 2, barley is considered an eligible acreage-based crop. Barley acres reported on a 2020 FSA-578 Acreage Report intended for hay, grain, and seed will be eligible for CFAP 2 payments.

- The optional payment limitation increase has been expanded to include trusts and estates. If updated timely, CFAP applications can be revised to identify individual persons who are heirs or beneficiaries who contributed 400+ hours of active personal labor or active personal management in order to receive a payment limitation increase to either \$500,000 (if two members contribute the required hours) or \$750,000 (if three members contribute the required hours). Please note that there are separate payment limits for CFAP 1 and CFAP 2. If the same applicant was approved in both programs, the applicant could receive a CFAP 1 payment up to \$250,000 (or \$500,000 for two members who met the payment increase requirement or \$750,000 for three members who met the payment increase requirement) and a CFAP 2 payment up to \$250,000 (or \$500,000 for two members who met the payment increase requirement or \$750,000 for three members who met the payment increase requirement).
- Livestock imported into the United States which were owned during the following time periods can now be included CFAP 1 applications:
 - For CARES funding – livestock physically located in the U.S. on January 15, 2020 which remained in the United States until sold for livestock sold between January 15, 2020, and April 15, 2020.
 - For CCC funding – livestock physically located in the U.S. on the applicable date selected for livestock in inventory between April 16, 2020, and May 14, 2020.

If you would like to revise a CFAP 1 application due to any of the policy changes listed above, submit a revised CFAP 1 application to your local county FSA office along with a written statement explaining the changes made and why the application was submitted after September 11. **If the revised CFAP 1 application and written statement are provided to an FSA county office by November 6, 2020**, the Washington State FSA Committee has the authority to approve relief for the revised application. To locate an office near you, visit farmers.gov/service-center-locator.

FSA Encourages Farmers and Ranchers to Vote in County Committee Elections

The 2020 Farm Service Agency County Committee Elections will begin on Nov. 2, 2020, when ballots are mailed to eligible voters. The deadline to return ballots to local FSA offices, or to be postmarked, is Dec. 7, 2020.

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.

Eligible voters in local administrative areas, who do not receive a ballot can obtain one from their local USDA Service Center.

Newly elected committee members will take office Jan. 1, 2021.

The Local Administrative Areas in this year's election can be found at : <https://www.fsa.usda.gov/state-offices/Washington/index>

More information on county committees, such as the new 2020 fact sheet, can be found on the FSA website at [fsa.usda.gov/elections](https://www.fsa.usda.gov/elections) or at a local USDA Service Center.

Election and Enrollment for 2021 ARC/PLC Program

The 2018 Farm Bill reauthorized the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. Elections and enrollment for 2021 ARC/PLC began on **October 19, 2020 and will run through March 15, 2021.**

The 2018 Farm Bill allows for changes to the farm election for 2021. 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 2021. 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 2021 by **March 15, 2021** will result in the farm defaulting to the election made in the 2019 and 2020 programs years.

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

Notification of Payment Increase for the Livestock Forage Program

Eligible livestock producers who have suffered grazing losses within Benton, Chelan, Douglas, Grant, Kittitas, Klickitat or Yakima counties are now eligible for 4 months payment for grazing or pastureland losses due to the current drought conditions within these counties. This determination is based upon a designation of an extreme drought (D3) within any portion of a county for 4 consecutive weeks according to the National Drought Monitor.

<https://droughtmonitor.unl.edu/CurrentMap/StateDroughtMonitor.aspx?WA>

All payments are processed at 60 percent of the **lesser of** either the monthly feed cost:

- for all covered livestock owned or leased by the eligible livestock producer, or
- the calculated normal carrying capacity of the eligible grazing land for the eligible livestock producer

All interested livestock producers must file an application and all supporting documentation by **January 30th, 2021**.

Timely Acreage Reporting for 2021 Crops

FSA programs require producer to timely report their crop acreages timely. The Risk Management Agency (RMA) along with FSA in recent years worked to establish common reporting dates in an effort to lessen the burden on you the producer. With these changes, we are seeing a high increase in the number of producers reporting after the established deadlines. When reports are not timely filed, it requires you to pay a fee, and an FSA employee is tasked with making a field visit to your farm to verify the crop before the County Committee can consider your report of acreage as timely filed.

December 15th is our first of five (5) acreage reporting dates for the 2021 crop year. Growers who planted fall planted small grains, canola, mint, onions, or dry peas and lentils have until December 15, 2020 to provide a timely filed acreage report to FSA. In the past, producers were placed on registers. When this occurs, it places a heavy burden on the County Office to complete other work assignments. With fall planting completed, please contact your local office and make arrangement to file your acreage data ahead of the deadline.

The second reporting date of **January 15th** is also fast approaching. Perennial crops like apples, apricots, blueberries, cherries, cranberries, grapes, nectarines, peaches, pears, and plums are the identified crops with this deadline date. If you are participating in FSA programs and are a grower of these crops, you are required to timely file each year you have an active application. This included

growers participating in the Tree Assistance Program (TAP). As you prepare to enter the winter months, taking the time to update your crop acreages with us helps ensure we have accurate data when it comes time to process your cost shares earned on your lost trees.

A change in policy requires producers with Conservation Reserve Program (CRP) to timely report their contracted acreage annually. Producers with CRP can report acreage now and beat the deadline of **July 15**, when the County Offices are busy with high workload.

Producers with questions regarding acreage reporting requirements are encouraged to contact their local offices and set up an appoint to provide their annual acreage report.

Sign Up for 2021 Dairy Margin Coverage

Dairy producers can now enroll in the 2021 Dairy Margin Coverage (DMC) program. This voluntary program offers 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 2021 DMC program will provide coverage for the entire 2021 calendar year. **The deadline to enroll in the 2021 DMC program is December 11, 2020.**

All producers who want 2021 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 contact their local FSA county office during this signup period to pay the annual administrative fee.

For the dairy producers who did not lock into a coverage level, during signup a margin from \$4.00 to \$9.50 can be selected along with the percentage of covered production history from 5 percent up to 95 percent. [Learn more about the Dairy Margin Coverage \(DMC\) Program here.](#) Dairies can use the [DMC decision tool](#) to evaluate various scenarios using different coverage percentages and margin amounts.

DMC offers catastrophic coverage (\$4.00 at 95%) that costs an annual \$100 administrative fee. Producers can opt for greater coverage levels for a premium cost, in addition to the \$100 administrative fee. Dairy operations owned by limited resource, beginning, socially disadvantaged, or veteran farmers and ranchers may be eligible for a waiver of administrative fees. Producers who locked into a coverage level are required to certify the dairy operation is still commercially marketing milk, sign the CCC-801 DMC Contract and Annual Coverage Election form for 2021, and pay the annual administrative fee before the end of the signup period.

Contact your local county FSA office to make an appointment to sign up for 2021 DMC. Office that are open for appointments will pre-screen visitors based on health concerns or recent travel and visitors must adhere to social distancing guidelines. Visitors may also be required to wear a face covering during their appointment. FSA staff can also provide assistance by phone and through the use of online tools. To locate an office near you, visit farmers.gov/service-center-locator.

NAP Coverage – Protection for 2021 Crops Available

For crops that are not insurable with catastrophic (CAT) level coverage 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. The 2018 Farm Bill reinstated higher levels of coverage, from 50 to 65 percent of expected production in 5 percent increments, at 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. Please note, buy-up coverage is not available for crops intended for grazing.

Premium cost 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.

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

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, traditionally underserved farmers or ranchers, and qualified veteran farmers or ranchers. Certification forms must be completed before the appropriate NAP application for coverage close date for waivers or premium reductions to apply.

NAP coverage for eligible 2021 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:

November 20, 2020 – Asparagus, berries, grapes, honey, hops, tree fruits, nuts, and other perennial crops not previously listed under the 9/30 category.

March 15, 2021 – Artichokes, beets (for seed or fresh), buckwheat, camelina, carrots (for fresh or processing), 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 FSA website www.fsa.usda.gov/wa. 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.

2020 NAP Crop Production Reporting Deadline Approaching

Reporting of actual harvested production from the 2020 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 2020 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, 2020. 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 2020 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 2020 NAP covered honey must provide total harvested production by January 2, 2021 for all honey produced during the 2020 calendar year. 2020 NAP covered tree fruits (apples, apricots, cherries, nectarines, peaches, pears, plums) and nuts, blueberries, cranberries and grapes must report actual harvested production by January 15, 2021 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.

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 2020 harvested farm-stored or warehouse-stored commodity is used as collateral for the loan. Marketing Assistance Loans typically 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 payments (LDPs) 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> .

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.

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.

If you are interested, please contact [your local FSA county office](#) to learn more about Marketing Assistance Loans, LDPs, and Certificates.

USDA Offers Farm Loans for Underserved and Beginning Farmers

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) reminds producers that FSA offers farm ownership and farm operating loans to underserved applicants as well as beginning farmers and ranchers. Underserved or beginning farmers and ranchers who cannot obtain commercial credit from a bank can apply for FSA direct or guaranteed loans.

“Farming and ranching is a capital-intensive business and FSA is committed to helping producers start and maintain their agricultural operations,” said Jon Wyss, FSA State Executive Director in Washington State. “FSA loans are designed to make sure that everyone has access to credit including underserved and beginning farmers and ranchers. Last year, FSA in Washington obligated \$35.7 million in loans to underserved borrowers and beginning farmers and ranchers.”

USDA defines underserved applicants as a group whose members have been subjected to racial, ethnic or gender prejudice because of their identity as members of the group without regard to their individual qualities. For farm loan program purposes, underserved groups are American Indians or Alaskan Natives, Asians, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, Hispanics, and women.

In order to qualify as a beginning farmer, the individual or entity must meet the eligibility requirements outlined for direct or guaranteed loans. Additionally, individuals and all entity members must have operated a farm for less than 10 years. Applicants must materially or substantially participate in the operation. For farm ownership purposes, the applicant must not own a farm greater than 30 percent of the average size farm in the county at the time of application. All direct farm ownership applicants must have participated in the business operations of a farm for at least three years out of the last 10 years prior to the date the application is submitted to FSA. Substitutions for as much as the full three years of experience may be made depending on education, military experience, participation with a SCORE mentor, and farm management experience as a hired hand. Your local FSA office will be able to provide more details on acceptable substitutions.

If the applicant is an entity, all members must be related by blood or marriage and all entity members must be eligible beginning farmers. At least one of the members must have three years or more experience in the business operations of a farm prior to the date the application is submitted.

Direct loans are made to applicants by FSA. Guaranteed loans are made by lending institutions who arrange for FSA to guarantee the loan. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. The FSA guarantee allows lenders to make agricultural credit available to producers who do not meet the lender’s normal underwriting criteria.

The direct and guaranteed loan program offers two types of loans: farm ownership loans and farm operating loans. Farm ownership loan funds may be used to purchase or enlarge a farm or ranch; purchase easements or rights of way needed in the farm’s operation; build or improve buildings

such as a dwelling or barn; promote soil and water conservation and development; and pay closing costs.

Farm operating loan funds may be used to purchase livestock, poultry, farm equipment, fertilizer, and other materials necessary to operate a farm. Operating loan funds can also be used for family living expenses; refinancing debts under certain conditions; paying salaries for hired farm laborers; installing or improving water systems for home, livestock or irrigation use; and other similar improvements.

Repayment terms for direct operating loans are scheduled from one to seven years. Financing for direct farm ownership loans cannot exceed 40 years. Interest rates for direct loans are set periodically according to the government's cost of borrowing. Guaranteed loan terms and interest rates are set by the lender.

For more information on FSA's farm loan programs and underserved and beginning farmer guidelines, please contact your local FSA office or visit farmers.gov.

Looking for a Career at FSA?

Washington state FSA is hiring for multiple positions in Yakima, WA.

Temporary program technician position for general office duties. The position is approved through March 2021. Further information and application material can be found at the following link: <https://www.usajobs.gov/GetJob/ViewDetails/582372000>

County Operations Trainee, a management trainee position requiring travel for a year paid by USDA. Further information and application material can be found at the following link: <https://www.usajobs.gov/GetJob/ViewDetails/582315800>

Health benefits are available for both positions. To apply, applicants are required to follow the instructions and submit their application package through www.USAJOBS.gov.

The following video will allow interested parties to hear employees talk about what it is like to work for FSA in Washington state: <https://vimeo.com/182866334>

Please share these positions with anyone you know who may be interested and any questions can be directed to Human Resource Specialist Mitzi Patton at (509) 323-3007 or by email at Mitzi.patton@usda.gov.

Snohomish County Committee Makeup Election

A makeup election will be conducted this fall for the Snohomish County Committee for LAA 1 (north Snohomish County) and LAA 3 (N. King County). During the normal nomination period no eligible candidates were received that were to be placed on the ballot this year. Beginning Jan 1, 2020 the Snohomish COC will only have 2 out of 4 COC positions filled, not enough for a quorum. Without a full quorum the Snohomish FSA office may be delayed in processing producers program applications in Snohomish/N. King, Jefferson and Clallam Counties.

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. 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 fsa.usda.gov/elections. To be considered, a producer must sign an FSA-669A nomination form. All nomination forms for the 2020 Snohomish make up election must be postmarked or received in the local FSA county office by December 4, 2020.

Important Dates and Deadlines

November 2, 2020 – County Committee election ballots mailed to eligible voters.

November 11, 2020 – Veterans Day. USDA service centers will be closed.

November 20, 2020 – Deadline to obtain 2021 crop year NAP coverage for asparagus, berries, grapes, honey, hops, tree fruits, nuts, and other perennial crops not listed under the 9/30 category.

November 26, 2020 – Thanksgiving Day. USDA service centers will be closed.

December 7, 2020 – County Committee ballots are due to FSA county offices or postmarked by this date.

December 11, 2020 – Deadline to apply for Coronavirus Food Assistance Program 2 (CFAP 2).

December 11, 2020 – Deadline to sign up for 2021 Dairy Margin Coverage (DMC). Annual administrative fees and a signed CCC-801 form are still due by this date even if the dairy operation chose to lock into a coverage level for five years.

December 14, 2020 – Deadline to apply for 2020 Seafood Trade Relief Program (STRP).

December 15, 2020 – Fall Acreage Reporting Deadline

December 15, 2020 – 2021 crop acreage reporting deadline for fall-seeded crops. This includes fall-planted alfalfa, canola, lentils, mint, onions, peas, and small grains. 2020 NAP production reports due for all listed crops.

December 18, 2020 – Last day to submit all required documents for a commodity loan request or schedule an appointment so that loan funds can be disbursed in the 2020 calendar year. Commodity loan software will be shut down at noon at December 28 and re-opened for loan disbursement on January 4, 2021. Limited staffing during the holiday season can delay loan disbursement, so plan ahead.

December 25, 2020 – Christmas Day. USDA service centers will be closed.

January 15, 2021 – Perennial Fruit and Nut Acreage Reporting Deadline

March 15, 2021 – ARC/PLC Election and Enrollment Deadline

July 15, 2021 – Acreage Reporting Deadline for Spring Planted Crops and CRP

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).