

February 2021



Farm Service Agency **Electronic News Service**

NEWSLETTER

GovDelivery

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

- [CRP Signup in the Homestretch](#)
- [CRP Forest Management Incentive](#)
- [Important Deadline: Don't Miss Out on ARC/PLC](#)
- [Quality Loss Adjustment Program Sign-up Through March 5, 2021](#)
- [USDA Temporarily Suspends Debt Collections, Foreclosures and Other Activities on Farm Loans for Several Thousand Distressed Borrowers Due to Coronavirus](#)
- [2021 NAP Application for Coverage Closing Date Approaching](#)
- [Report Damage or Loss of NAP Covered Crops Immediately](#)
- [Marketing Assistance Loans, Loan Deficiency Payments, and Certificates Available](#)
- [Unauthorized Disposition of Grain](#)
- [Annual Review of Payment Eligibility](#)
- [Changes in Farming Operations](#)
- [Foreign Buyers Notification](#)
- [USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning Farmers](#)
- [Important Dates and Deadlines](#)

Washington State FSA Newsletter

Washington State Farm Service Agency

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

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

CRP Signup in the Homestretch

The signup for general CRP that started January 4 will end on February 12. Producers interested in offering new land for CRP or to re-enroll land that is scheduled to expire this fall, may submit an offer in this signup. By February 12, at least one eligible producer on the farm must sign the worksheet and contract for the offer to be considered.

After signup ends, a final cost score, as determined by the Secretary, will be established and applied to offers to determine their final Environmental Benefits Index (EBI) score. All general

www.fsa.usda.gov/wa

State Executive Director:

State Committee:

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

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

CRP offers will be ranked in a national competition. The Secretary will then determine the total number of acres to be accepted, and the EBI cutoff score will be set to accept that many acres. Producers will be notified if their EBI is above the cutoff, and their offer is accepted, or if is too low and their offer is not accepted. Producers with accepted offers must contact FSA within 30 days of this notification to confirm they want to proceed with the offer. NRCS will then work with the producers to analyze the existing stand and develop a conservation plan for the contract period.

FSA is also accepting offers to enroll in the continuous CRP and the Conservation Reserve Enhancement Program (CREP). Offers to enroll new land can be submitted throughout the year. Offers to re-enroll expired or expiring offers must be submitted in time for NRCS to determine basic eligibility and then the producer to sign the offer worksheet (CRP-2C) and contract (CRP-1), by August 2021.

If you want to make a CRP offer and do not currently have an appointment, please contact the county office immediately. With CRP and disaster program signups coming to a head and ARCPLC deadlines approaching, FSA staff schedules are filling up and extensions to the signup deadline of February 12 will not apply.

CRP Forest Management Incentive

USDA has made \$12 million available to forest landowners enrolled in the Conservation Reserve Program (CRP) who want to implement healthy forest management practices. Producers can now signup for the Forest Management Incentive (FMI), which provides incentives to landowners with land in CRP to encourage proper tree thinning and other practices. This signup began on January 19 and will be ongoing until a deadline is announced later this year.

Right now, less than 10% of land currently enrolled in CRP is dedicated to forestland. But these nearly 2 million acres of CRP forestland, if properly managed, can have enormous benefits for natural resources by reducing soil erosion, protecting water quality, increasing water quantity and diversifying local farm operations and rural economies.

Only landowners and agricultural producers with active CRP contracts involving forest cover can enroll. This does not include active CRP contracts that expire within the next two years. Existing CRP participants interested in tree thinning and prescribed burning must comply with the standards and specifications established in their CRP contract.

CRP participants receive the incentive payment once tree thinning and other authorized forest management practices are completed.

The incentive payment is the lower of these two options:

- The actual cost of completing the practice; or
- 75% of the payment rate offered by USDA's Natural Resources Conservation Service (NRCS), if the practice is offered through NRCS conservation programs.

Important Deadline: Don't Miss Out on ARC/PLC

The ARCPLC deadline is quickly approaching. Failure to make a valid election and enrollment for the 2021 program year by March 15th, 2021 will result in ineligibility for the 2021 crop year payment. To complete election and enrollment, all signatures must be submitted by the March 15th deadline.

Please contact your local FSA office to schedule an appointment today. Ensure all previously scheduled appointments are kept as resources and staff are limited at this time. REMEMBER, the financial health of your farming operation for 2021 may be greatly affected by failure to elect and enroll in ARCPLC by the March 15th deadline.

Quality Loss Adjustment Program Sign-up Through March 5, 2021

The Quality Loss Adjustment (QLA) Program began Wednesday, Jan. 6, 2021. Funded by the Further Consolidated Appropriations Act of 2020, this new program provides assistance to producers who suffered eligible crop quality losses due to natural disasters occurring in 2018 and 2019. The deadline to apply for QLA is Friday, March 5, 2021.

Eligible Crops

Eligible crops include those for which [federal crop Insurance](#) or [Noninsured Crop Disaster Assistance Program](#) (NAP) coverage is available, except for grazed crops and value loss crops, such as honey, maple sap, aquaculture, floriculture, mushrooms, ginseng root, ornamental nursery, Christmas trees, and turfgrass sod.

Additionally, crops that were sold or fed to livestock or that are in storage may be eligible; however, crops that were destroyed before harvest are not eligible. Crop quality losses occurring after harvest, due to deterioration in storage, or that could have been mitigated, are also not eligible.

Assistance is based on a producer's harvested affected production of an eligible crop, which must have had at least a 5% quality loss reflected through a quality discount; or for forage crops, a nutrient loss, such as total digestible nutrients.

Qualifying Disaster Events

Losses must have been a result of a qualifying disaster event (hurricane, excessive moisture, flood, qualifying drought, tornado, typhoon, volcanic activity, snowstorm, or wildfire) or related condition that occurred in calendar years 2018 and/or 2019.

Eligibility for drought related losses are only applicable if the loss occurred in an area within a county rated by the [U.S. Drought Monitor](#) as having a D3 (extreme drought) or higher intensity level during 2018 or 2019. No Washington counties reached the D3 intensity level during either year.

Producers in counties that did not receive a qualifying Presidential or Secretarial declaration or designation may still apply but must also provide supporting documentation to establish that the crop was directly affected by a qualifying disaster event.

To determine QLA eligibility and payments, FSA considers the total quality loss caused by all qualifying natural disasters in cases where a crop was impacted by multiple events.

Applying for QLA

When applying, producers are asked to provide verifiable documentation to support claims of quality loss or nutrient loss in the case of forage crops. For crops that have been sold, grading must have been completed within 30 days of harvest, and for forage crops, a laboratory analysis must have been completed within 30 days of harvest.

Some acceptable forms of documentation include sales receipts from buyers, settlement sheets, truck or warehouse scale tickets, written sales contracts, similar records that represent actual and specific quality loss information, and forage tests for nutritional values.

Payments Calculations and Limitations

QLA payments are based on formulas for the type of crop (forage or non-forage) and loss documentation submitted. Based on this documentation FSA is calculating payments based on the producer's own individual loss or based on the county average loss. More information on payments can be found on farmers.gov/quality-loss.

FSA will issue payments once the application period ends. If the total amount of calculated QLA payments exceeds available program funding, payments will be prorated.

For each crop year, 2018, 2019 and 2020, the maximum amount that a person or legal entity may receive, directly or indirectly, is \$125,000. Payments made to a joint operation (including a general partnership or joint venture) will not exceed \$125,000, multiplied by the number of persons and legal entities that comprise the ownership of the joint operation. A person or legal entity is ineligible for QLA payment if the person's or legal entity's average Adjusted Gross Income exceeds \$900,000, unless at least 75% is derived from farming, ranching or forestry-related activities.

Future Insurance Coverage Requirements

All producers receiving QLA Program payments are required to purchase crop insurance or NAP coverage for the next two available crop years at the 60% coverage level or higher. If eligible, QLA participants may meet the insurance purchase requirement by purchasing [Whole-Farm Revenue Protection](#) coverage offered through USDA's Risk Management Agency.

More Information

For more information, visit farmers.gov/quality-loss, or contact your local [USDA Service Center](#). Producers can also obtain one-on-one support with applications by calling 877-508-8364.

USDA Temporarily Suspends Debt Collections, Foreclosures and Other Activities on Farm Loans for Several Thousand Distressed Borrowers Due to Coronavirus

Due to the national public health emergency, USDA today announced the temporary suspension of past-due debt collections and foreclosures for distressed borrowers.

Due to the national public health emergency caused by coronavirus disease 2019 (COVID-19), the U.S. Department of Agriculture today announced the temporary suspension of past-due debt collections and foreclosures for distressed borrowers under the Farm Storage Facility Loan and the Direct Farm Loan programs administered by the Farm Service Agency (FSA).

USDA will temporarily suspend non-judicial foreclosures, debt offsets or wage garnishments, and referring foreclosures to the Department of Justice. USDA will work with the U.S. Attorney's Office to stop judicial foreclosures and evictions on accounts that were previously referred to the Department of Justice. Additionally, USDA has extended deadlines for producers to respond to loan servicing actions, including loan deferral consideration for financially distressed and delinquent borrowers. In addition, for the Guaranteed Loan program, flexibilities have been made available to lenders to assist in servicing their customers.

Today's announcement by USDA expands previous actions undertaken by the Department to lessen financial hardship. According to USDA data, more than 12,000 borrowers—approximately 10% of all borrowers—are eligible for the relief announced today. Overall, FSA lends to more than 129,000 farmers, ranchers and producers.

The temporary suspension is in place until further notice and is expected to continue while the national COVID-19 disaster declaration is in place.

USDA's Farm Service Agency provides several different loans for producers, which fall under two main categories:

- Guaranteed loans are made and serviced by commercial lenders, such as banks, the Farm Credit System, credit unions and other non-traditional lenders. FSA guarantees the lender's loan against loss, up to 95%.
- Direct loans are made and serviced by FSA using funds from the federal government.

The most common loan types are Farm Ownership, Farm Operating and Farm Storage Facility Loans, with Microloans for each:

- Farm Ownership: Helps producers purchase or enlarge a farm or ranch, construct a new or improve an existing farm or ranch building, pay closing costs and pay for soil and water conservation and protection.
- Farm Operating: Helps producers purchase livestock and equipment and pay for minor real estate repairs and annual operating expenses.
- Farm Storage Facility Loans are made directly to producers for the construction of cold or dry storage and includes handling equipment and mobile storage such as refrigerated trucks.

- Microloans: Direct Farm Ownership, Operating Loans and Farm Storage Facility Loans have a shortened application process and reduced paperwork designed to meet the needs of smaller, non-traditional and niche-type operations.

Contact FSA

FSA encourages producers to contact their county office to discuss these programs and temporary changes to farm loan deadlines and the loan servicing options available. For Service Center contact information, visit farmers.gov/coronavirus. For servicing information, access farmers.gov.

2021 NAP Application for Coverage Closing Date Approaching

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.

The deadline to apply for NAP coverage for the following crops is approaching: artichokes, beets (for seed or fresh), buckwheat, camelina, carrots (for fresh or processing), hemp, mustard, radish (for seed or fresh), small grain forage (wheat, barley, oats, peas), and any other spring planted crops not previously mentioned in other closing dates. To request NAP coverage, an application for coverage must be submitted and a service fee paid by the application closing date. NAP coverage for eligible 2021 crops should be purchased at least 1 day before the crop is planted, but no later than the application closing date. The application closing date for NAP coverage for the spring planted crops listed above is **March 15, 2021**.

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.

The 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. Beginning, limited resource, targeted underserved farmers or ranchers, and qualified veteran farmers or ranchers are eligible for a waiver of NAP service fees and a 50% NAP premium fee reduction. Certification forms must be completed before the appropriate NAP application for coverage close date for waivers or premium reductions to apply.

To learn more about the NAP program and to request coverage, contact your local [county FSA office](#).

Report Damage or Loss of NAP Covered Crops Immediately

If winter weather causes damage to or loss of your NAP covered perennial and/or fall planted crops, you must report this to your local FSA county office.

NAP notices of loss can be initiated by phone, email, or fax, but must be submitted in writing, to your local FSA county office for weather related events or adverse natural occurrences that cause damage to or loss of the NAP covered crop. To report crop damage or loss you must complete, sign, and file the loss portion of form CCC-576 with your FSA office 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 or
- **15 calendar days** after the normal harvest date.

Please note, producers of hand-harvested crops and certain perishable crops must notify FSA **within 72 hours** of when a loss becomes apparent.

While some FSA county offices are closed to the public as a health and safety precaution against the spread of COVID-19, offices will take initial NAP notice of loss notifications via phone, email, or fax. Offices will assist producers in completing the official CCC-576 Notice of Loss Form as best as possible, sending the form to producers via email, fax, or mail for final review and signature. The completed and signed CCC-576 should then be returned to the county office as soon as possible via email, fax, or mail.

As the 2021 crop year progresses, it is imperative that a notice of loss is filed (for all affected NAP covered crops) within the timeframe noted above for each weather-related event or adverse natural occurrence. This will ensure FSA is notified that your NAP covered crop or crops have been damaged or lost. If the loss event is approved, remember to provide your crop production to your local FSA county office within 60 days after harvest or request an appraisal within 60 days of the normal harvest date so that the payment portion of form CCC-576 can be filed timely.

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

Remember, 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.

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 (MALs) typically mature 9 months after the month loan funds are disbursed to you, with repayment due at loan maturity. Due to the pandemic, eligible MALs will mature 12 months after loans funds are disbursed. 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>.

FSA is now accepting requests for 2020 MALs for all eligible commodities after harvest. The final date to request a MAL for 2020 wheat, barley, oats, honey, canola, crambe, flaxseed, rapeseed, and sesame seed is **March 31, 2021**.

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.

Unauthorized Disposition of Grain

If loan grain has been disposed of through feeding, selling, or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always contact [your local FSA county office](#) before you haul any grain under loan.

Annual Review of Payment Eligibility

All participants of FSA programs who request program benefits are required to submit a completed CCC-902 (Farming Operation Plan) and CCC-941 Average Gross Income (AGI) Certification and Consent to Disclosure of Tax Information to be considered for payment eligibility and payment limitation applicable for the program benefits.

Participants are not required to annually submit new CCC-902s for payment eligibility and payment limitation purposes unless a change in the farming operation occurs that may affect the determination of record. Participants are responsible for ensuring that all CCC-902 and CCC-941 and related forms on file in the county Office are correct at all times. Participants are required to timely notify the county office of any changes in the farming operation that may affect the determination of record by filing a new or updated CCC-902 as applicable.

Changes that may require a NEW determination include, but are not limited to, a change of:

- Shares of a contract, which may reflect:

-A land lease from cash rent to share rent.

-A land lease from share rent to cash rent (subject to the cash rent tenant rule).

-A modification of a variable/fixed bushel-rent arrangement.

- The size of the producer's farming operation by the addition or reduction of cropland that may affect the application of a cropland factor.
- The structure of the farming operation, including any change to a member's share.
- The contribution of farm inputs of capital, land, equipment, active personal labor, and/or active personal management.
- Farming interests not previously disclosed on CCC-902 including the farming interests of a spouse or minor child.
- Financial status that may affect the 3-year average for the determination of average AGI or other changes that affects eligibility under the average adjusted gross income limitations.

Participants are encouraged to file or review these forms within the deadlines established for each applicable program for which program benefits are being requested.

Changes in Farming Operations

If you have bought or sold land, or if you have picked up or dropped rented land from your operation, make sure you report those operation changes to your local FSA office as soon as possible. Copies of deeds or recorded land contracts for purchased property are required. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties.

Additionally, other changes that impact a farming operation must also be reported to FSA. This includes things such as changes to signature authorization within the operation. Producers are reminded to contact the office if there is a change in their farming operation(s) so that records can be kept current and accurate.

Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements. Please contact your local FSA office if you have questions regarding these requirements.

USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning Farmers

The USDA Farm Service Agency (FSA) reminds producers that FSA offers targeted farm ownership and farm operating loans to assist underserved applicants as well as 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, targeted underserved groups are women, African Americans, American Indians and Alaskan Natives, Hispanics and Asians and Pacific Islanders.

Underserved or beginning farmers and ranchers who cannot obtain commercial credit from a bank can apply for either FSA direct loans or guaranteed loans. 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 provides for two types of loans: farm ownership loans and farm operating loans. In addition to customary farm operating and ownership loans, FSA now offers Microloans through the direct loan program. The focus of Microloans is on the financing needs of small, beginning farmer, niche and non-traditional farm operations. Microloans are available for both ownership and operating finance needs. To learn more about microloans, visit www.fsa.usda.gov/microloans.

To qualify as a beginning producer, 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 more information on FSA's farm loan programs and targeted underserved and beginning farmer guidelines, visit www.fsa.usda.gov/farmloans.

Important Dates and Deadlines

February 1, 2021 – Deadline to file a 2020 ELAP Application for Payment and provide supporting documentation.

February 1, 2021 – Deadline to file a 2020 LFP Application for Payment and provide supporting documentation.

February 12, 2021 – Deadline to sign up for General CRP.

February 15, 2021 – Presidents' Day. USDA Service Centers will be closed.

February 16, 2021 – Deadline to pay 2020 NAP Premiums.

February 26, 2021 – Deadline to apply or modify applications for CFAP Additional Assistance.

March 1, 2021 – Deadline to file a 2020 LIP Application for Payment and provide supporting documentation.

March 5, 2021 – Deadline to sign up for the Quality Loss Adjustment (QLA) program.

March 15, 2021 – Deadline to elect a program and enroll in 2021 ARC/PLC.

March 15, 2021 – Deadline to request 2021 NAP coverage for artichokes, beets (seed or fresh), buckwheat, camelina, carrots (fresh or processing), hemp, small grain forages (wheat, barley, oats, peas) and other spring planted crops not mentioned in other NAP application for coverage closing dates.

March 15, 2021 – CRP Grassland signup period opens. Signup ends April 23, 2021 (see below).

March 31, 2021 – Final date to request a MAL for 2020 wheat, barley, oats, honey, canola, crambe, flaxseed, rapeseed, and sesame seed.

April 1, 2021 – Beginning of the Primary Nesting Season for CRP. Activities on established CRP stands are prohibited April 1 through July 1 unless specifically authorized by FSA on a contract by contract basis. This restriction does not apply to contracts where the cover is being established at this time.

April 23, 2021 – Deadline to sign up for CRP Grasslands.

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).