In This Issue:

- Important ARC/PLC Deadlines
- Bank Account Changes
- Notification of Changes to Farming Operations
- CFAP 2 Updates Including October 12th Signup Deadline
- PATHH Provides Pandemic Assistance to Timber Harvesters & Haulers
- PLIP Available for 2020 Depopulation of Swine and Poultry
- Apply for OCCSP for Organic Certification Cost Share Reimbursements
- Report Damage or Loss of NAP Covered Crops Immediately
- Change Policy for Filing a NAP Notice of Loss on Grazed Forage
- NAP Coverage – Consider Protecting 2022 Crops Now
- Marketing Assistance Loans, Loan Deficiency Payments, and Certificates Available
- 2021 Wool Triggers Loan Deficiency Payments
- USDA-National Agricultural Statistics Service (NASS)
- Important Dates and Deadlines

Important ARC/PLC Deadlines

All changes to farming operations for FY 2021 that result in succession of interest ARC/PLC contracts must be made by September 30, 2021. Changes that can result in succession of interest contracts include things such as a sale of land, changes to an operator or producer on the contract, or changes to shares that were originally approved on the contract. Failure to notify your local servicing office of changes to your operation may result in delay of payment or a determination of ineligibility for your contract.

Bank Account Changes

FSA program payments are issued electronically by direct deposit into your bank account. In effort to assist FSA in timely issuing payments, you must notify your servicing office of any changes to your banking information. This includes if you close your account, or if your banking information is changed for other reasons, such as a financial institution
merge or purchase. Program payments may be delayed if FSA is not timely notified of changes to bank accounts or routing numbers.

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**Notification of Changes to Farming Operations**

Program participants are responsible for ensuring that all eligibility documentation is up to date and correct at all times. This includes the CCC-902 (Farm Operating Plan), AD-1026, and other applicable eligibility documents. Please notify your local FSA office of any changes that have occurred to your operation prior to September 30, 2021. Failure to timely submit changes and eligibility documentation may result in ineligibility, improper payments or delays in issuance of payments.

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**CFAP 2 Updates Including October 12th Signup Deadline**

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) announced additional program updates for the Coronavirus Food Assistance Program 2 (CFAP 2) for producers of sales-based commodities and for contract producers of eligible livestock and poultry, as well as a new signup deadline. Details on each update can be found below. **All new and modified CFAP 2 applications are due by October 12, 2021.**

**Updates for Sales-Based Commodities**

The CFAP 2 payment calculation for sales-based commodities, which includes specialty crops, has been amended to allow producers to substitute 2018 sales for 2019 sales. Previously, payments for producers of sales-based commodities were based only on 2019 sales, with 2019 used as an approximation of the amount the producer would have expected to market in 2020. Giving producers the option to substitute 2018 sales for this approximation, including 2018 crop insurance indemnities and 2018 crop year Noninsured Disaster Assistance Program (NAP) and Wildfire and Hurricane Indemnity Program Plus (WHIP+) payments, provides additional flexibility to producers of sales-based commodities who had reduced sales in 2019. If you previously applied for CFAP 2 with 2019 sales and crop insurance indemnities, NAP, and WHIP+ payments for crop year 2019, but would like to use 2018 sales and 2018 crop insurance indemnities, NAP, and WHIP+ payments, a new AD-3117 CFAP 2 application will be required by the signup deadline. The sales year and the crop year for crop insurance indemnities, NAP, and WHIP+ payments must match for the application.

Grass seed has also been added as an eligible sales commodity for CFAP 2. A complete list of all eligible sales-based commodities can be found at [farmers.gov/cfap2/commodities](http://farmers.gov/cfap2/commodities). Producers of sales-based commodities can either file a new CFAP 2 application or modify an existing application by the end of the signup period to include either 2018 or 2019 sales, crop insurance indemnities, NAP, and WHIP+ payments for grass seed that was planted intended for seed.

**Updates for Contract Producers**
The Consolidated Appropriations Act, 2021, provides up to $1 billion for payments to contract producers of eligible livestock and poultry for revenue losses from Jan. 1, 2020, through Dec. 27, 2020. Through the new update to CFAP 2, contract producers of broilers, pullets, layers, chicken eggs, turkeys, hogs and pigs, ducks, geese, pheasants and quail may be eligible for assistance. This update includes eligible breeding stock and eggs of all eligible poultry types produced under contract.

Under previous provisions, payments for contract producers were to be based on a comparison of eligible revenue for the periods of Jan. 1, 2019, through Dec. 27, 2019, and Jan. 1, 2020, through Dec. 27, 2020. The recent program changes allow contract producers the ability to elect to use eligible revenue from the period of Jan. 1, 2018, through Dec. 27, 2018, instead of that date range in 2019 if it is more representative. This change is intended to provide flexibility and make the program more equitable for contract producers who had reduced revenue in 2019 compared to a normal production year. The difference in revenue is then multiplied by 80% to determine a final payment. Payments to contract producers may be factored if total calculated payments exceed the available funding and will be made after the application period closes.

Additional flexibilities have been added to account for increases to operation size in 2020 and situations where a contract producer did not have a full period of revenue from Jan. 1 to Dec. 27 for either 2018 or 2019. Assistance is also available to new contract producers who began their farming operation in 2020.

Applying for Assistance

Newly eligible producers who need to submit a CFAP 2 application or producers who need to modify an existing application can do so by contacting their local FSA office. Find your local FSA office by visiting farmers.gov/service-locator or get one-on-one support with applications by calling 877-508-8364. For information on how to apply for CFAP 2, visit farmers.gov/coronavirus/pandemic-assistance/cfap2.

Health and safety restrictions may limit walk-in appointments to your local FSA office. Don’t wait until the last day! If you’d like to modify your CFAP 2 application or apply as a newly eligible applicant, please make an appointment with FSA today.

PATHH Provides Pandemic Assistance to Timber Harvesters & Haulers

Timber harvesting and hauling businesses that have experienced a gross revenue loss of at least 10% during the period of Jan. 1 and Dec. 1, 2020, compared to the period of Jan. 1 and Dec. 1, 2019, are encouraged to apply for the Pandemic Assistance for Timber Harvesters and Haulers program (PATHH). Loggers and truckers can apply for assistance through USDA’s Farm Service Agency (FSA) now through Oct. 15, 2021.

Program Details

To be eligible for payments, individuals or legal entities must be a timber harvesting or timber hauling business where 50% or more of its gross revenue is derived from one or more of the following:
• Cutting timber.
• Transporting timber.
• Processing of wood on-site on the forest land (chipping, grinding, converting to biochar, cutting to smaller lengths, etc.).

Payments will be based on the applicant’s gross revenue received from Jan. 1, 2019, through Dec. 1, 2019, minus gross revenue received from Jan. 1, 2020, through Dec. 1, 2020, multiplied by 80%, as shown in the formula below.

\[
\text{Expected PATHH Payment} = (2019 \text{ Gross Revenue} – 2020 \text{ Gross Revenue}) \times 0.80
\]

Eligible program applicants will receive up to two PATHH payments based on the payment calculation above, where both years reflect gross revenue from January 1 through December 1. FSA will issue an initial payment of no more than $2,000 shortly after application approval. A final payment will be made after the signup period ends to applicants whose expected total payment exceeds $2,000. The sum of both payments will not exceed $125,000, and USDA may prorate final payments if total calculated payments nationally exceed the $200 million in funding allocated for PATHH.

To be eligible for payments, a person or legal entity must comply with provisions of the “Highly Erodible Land and Wetland Conservation” regulations, often called the conservation compliance provisions, certified on an AD-1026 form. Eligible loggers must have a 2017 North American Industry Classification System (NAICS) code of 113310 for tax purposes. Eligible truckers must have a NAICS code of 484220 or 484230. Timber haulers must provide a copy of IRS Form 2290, Heavy Highway Vehicle Use Tax Return, for logging vehicles for 2019 and 2020 unless timber was hauled on tribal land in those years. Minors under 18 years of age are not eligible for PATHH.

**Applying for Assistance**

Loggers and truckers can apply for PATHH by completing form FSA-1118, Pandemic Assistance for Timber Harvesters and Haulers Program application, and certifying to their gross revenue for 2019 and 2020 on the application before October 15, 2021. Additional documentation may be required. Visit [farmers.gov/pathh](http://farmers.gov/pathh) for more information on how to apply.

Applications can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery, or via electronic means. To find a local FSA office, loggers and truckers can visit [farmers.gov/service-locator](http://farmers.gov/service-locator). They can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

**PLIP Available for 2020 Depopulation of Swine and Poultry**

If you are a livestock or poultry producer who suffered losses during the pandemic due to insufficient access to processing, then you may be eligible to apply for assistance for those losses through the Pandemic Livestock Indemnity Program (PLIP). Review the
program eligibility details below and contact your local county FSA to apply by the signup
deadline. The PLIP signup period ends on September 17, 2021.

PLIP Program Details

Eligible livestock must have been depopulated from March 1, 2020, through December 26,
2020, due to insufficient processing access as a result of the pandemic. Livestock must
have been physically located in the U.S. or a territory of the U.S. at the time of
depopulation.

Eligible livestock owners include persons or legal entities who, as of the day the eligible
livestock was depopulated, had legal ownership of the livestock. Packers, live poultry
dealers and contract growers are not eligible for PLIP.

PLIP payments compensate participants for 80% of both the loss of the eligible livestock
or poultry and for the cost of depopulation and disposal based on a single payment rate
per head. PLIP payments will be calculated by multiplying the number of head of eligible
livestock or poultry by the payment rate per head, and then subtracting the amount of any
payments the eligible livestock or poultry owner has received for disposal of the livestock
or poultry under the Natural Resources Conservation Service (NRCS) Environmental
Quality Incentives Program (EQIP) or a state program. The payments will also be reduced
by any Coronavirus Food Assistance Program (CFAP 1 and 2) payments paid on the
same inventory of swine that were depopulated.

There is no per person or legal entity payment limitation on PLIP payments. To be eligible
for payments, a person or legal entity must have an average adjusted gross income (AGI)
of less than $900,000 for tax years 2016, 2017 and 2018 as certified on a CCC-941 form.
Eligible PLIP applicants must comply with provisions of the “Highly Erodible Land and
Wetland Conservation” regulations, often called the conservation compliance provisions,
certified on an AD-1026 form.

Applying for Assistance

Eligible livestock and poultry producers can apply for PLIP now by completing the FSA-
620, Pandemic Livestock Indemnity Program (PLIP) application, and submitting it to any
FSA county office. Additional documentation may be required. Visit farmers.gov/plip for a
copy of the Notice of Funding Availability and more information on how to apply.

Applications can be submitted to the FSA office at any USDA Service Center nationwide
by mail, fax, hand delivery or via electronic means. To find your local FSA office, visit
farmers.gov/service-locator. Livestock and poultry producers can also call 877-508-8364
to speak directly with a USDA employee ready to offer assistance.

Apply for OCCSP for Organic Certification Cost
Share Reimbursements

Are you an organic producer or handler who received an organic certification from a
USDA-accredited certifying agent? If so, you can request cost-share assistance through the
Organic Certification Cost Share Program (OCCSP). Cost share funds are available
paid expenses must be submitted with supporting documentation on a 2021 OCCSP application. *2021 OCCSP applications are due Nov. 1, 2021.*

OCCSP provides cost-share assistance to producers and handlers of agricultural products for the costs of obtaining or maintaining organic certification under the USDA’s National Organic Program. Eligible producers include any certified producers or handlers who have paid organic certification fees to a USDA-accredited certifying agent. Eligible expenses for cost-share reimbursement include application fees, inspection costs, fees related to equivalency agreement and arrangement requirements, travel expenses for inspectors, user fees, sales assessments and postage.

Producers and handlers certified organic by Washington State Department of Agriculture (WSDA) should automatically receive cost-share reimbursement from WSDA while funding is available. If cost-share is paid through WSDA, producers and handles are not eligible to receive duplicate cost-share reimbursement from USDA-FSA. For more information on applying for organic certification and cost-share reimbursement through WSDA, visit this website.

For 2021 OCCSP, certified producers and handlers are eligible to receive reimbursement for up to 50 percent of the certified organic operation’s eligible expenses, up to a maximum of $500 per scope. In Washington State, eligible certification scopes remain the same – crops, livestock, wild crops, and processing/handling. The payment calculation and maximum payment amount are applicable to all certified organic operations, regardless of whether they apply through an FSA county office or through WSDA.

To learn more about organic certification cost share, please visit the OCCSP webpage or contact your local USDA Service Center. All USDA Service Centers are open for business, including some that are open to visitors to conduct business in person by appointment only. Please call ahead to schedule an appointment.

**Report Damage or Loss of NAP Covered Crops Immediately**

With the Western U.S. experiencing drought conditions, many farmers and ranchers are seeing drought related damage or loss of their NAP covered crops. If you have NAP coverage and notice weather related damage to your 2021 crops, including drought damage, remember that you must report this to your local FSA county office timely in order to be eligible for a NAP benefit.

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 have limited access to the public, 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.

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**Change Policy for Filing a NAP Notice of Loss on Grazed Forage**

For the 2021 and subsequent crop years, NAP forage producers with the intended use of grazing who elect to use independent assessments or other approved alternative loss percentage methods to establish their loss are no longer required to file a CCC-576 Notice of Loss with FSA. However, a CCC-576 Application for Payment form must be submitted to FSA no later than 60 calendar days after the coverage period ends.

Producers that elect to have the grazing loss determined using similar mechanically harvested units still must timely file a CCC-576 Notice of Loss within the earlier of 15 days of the disaster event or damage to the crop first becomes apparent or within 15 days of harvest.
NAP Coverage – Consider Protecting 2022 Crops Now

For crops that are not insurable with catastrophic level coverage (CAT) 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. 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.

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

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, and traditionally underserved farmers and ranchers.

NAP coverage for eligible 2022 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:

**September 30, 2021** – 2022 aquaculture; beets (for stecklings); Christmas trees; floriculture; garlic; mint; mushrooms; turf grass sod; biennial/perennial forages and mixed forages for hay, seed, or grazing.

**November 20, 2021** – 2022 asparagus, berries, grapes, hops, tree fruits, nuts, and other perennial crops not listed under the 9/30 category.
December 31, 2021 – 2022 honey.

March 15, 2022 – 2022 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 mentioned in other closing dates.

NAP application for coverage deadlines are also posted on the Washington State FSA website located here. 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.

Marketing Assistance Loans, Loan Deficiency Payments, and Certificates Available

With the 2021 crop harvest underway, keep in mind that 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 2021 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. Due to the pandemic, all open nonrecourse commodity loans in good standing requested by September 30, 2021 will mature 12 months after loans funds are disbursed, unless a 9-month maturity is requested. 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.

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.

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. If you are interested, please contact your local FSA county office to learn more about Marketing Assistance Loans.
2021 Wool Triggers Loan Deficiency Payments

Wool producers may be eligible for Loan Deficiency Payments (LDP) through the Farm Service Agency. LDPs are direct payments made in lieu of a marketing assistance loan when the Commodity Credit Corporation determined value, based on the current local price, is below the applicable loan rate. For wool, the local prices and loan rates are set at a national level. The payment is the difference between the price and loan rate times the eligible quantity. Wool LDP rates are updated on a weekly basis and can be found online here. Use the Weekly Commodity Rates icon to open the dropdown which includes the “Wool and Mohair LDP Rates” spreadsheet.

Unsold wool shorn during the 2021 calendar year may be eligible for a 2021 LDP. For a commodity to be eligible for an LDP, the producer must have beneficial interest in the commodity, defined as having title, possession, and control of the commodity, and responsible for loss of or damage to the commodity. All related application forms must be completed at the local FSA office prior to loss of beneficial interest. Additional eligibility requirements must be met before an LDP payment can be paid. This includes a 2021 FSA-578 acreage report for all crop acres, a CCC-941 Adjusted Gross Income Certification, a CCC-902 Farm Operating Plan, an AD-1026 Highly Erodible Land and Wetland Certification, and a direct deposit form or waiver.

In order to request an LDP for wool, producers must complete a CCC-633 EZ Loan Deficiency Payment Agreement and Request form. Page 1 is the agreement which signifies an intent to request an LDP and must be completed before a producer loses beneficial interest of the eligible commodity. Page 4 is the wool request for LDP benefits and must be submitted after page 1 is completed. Once signed and approved, page 4 cannot be cancelled and payments cannot be deferred. Payments are processed after page 4 has been submitted and approved.

For more information on LDPs, visit https://www.fsa.usda.gov/programs-and-services/price-support/Index or visit your local FSA office.

USDA-National Agricultural Statistics Service (NASS)

The USDA-NASS has two upcoming surveys offering producers a chance to share how their cereal grains have been impacted by the drought and heat this year:

- **The September Ag Survey** (August 28-September 15) will ask producers for harvested acreage, yield and production, and grain stocks on farm as of September 1, for small grain crops in Washington and the U.S. Data from this survey will also be used to estimate yields at the county level. Estimates will be released on September 30.

- **The County Ag. Production Survey** (September 3-October 8) provides the data needed to estimate acreage and production of small grains crops in Washington, Oregon, and Idaho at the county level. This data directly impacts growers as the information is one of the sources of data for county level estimates used to determine payments in the ARC/PLC payment programs. If there are not enough
responses to publish county data, a surrounding county’s data may have to be used instead. This may have a negative effect on producer payments because of local yield difference between counties. USDA’s Farm Service Agency also uses the estimates to administer disaster assistance programs.

Chris Mertz, Northwest Region Director can be reached at Chris.Mertz@usda.gov with questions or assistance with finding NASS survey results.

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**Important Dates and Deadlines**

**September 6, 2021** – Labor Day. USDA service centers will be closed.

**September 17, 2021** – Deadline to apply for PLIP for pandemic-related swine, chicken, and turkey depopulation.

**September 30, 2021** – Deadline to obtain 2022 crop year NAP coverage for aquaculture; beets (for stecklings); Christmas trees; floriculture; garlic; mint; mushrooms; turf grass sod; biennial/perennial forages and mixed forages for hay, seed, or grazing (full list of Washington State NAP dates posted [here](#)).

**September 30, 2021** – Deadline for late-filed and succession-in-interest ARCPLC contracts.

**October 11, 2021** – Columbus Day. USDA service centers will be closed.

**October 12, 2021** – Deadline apply for CFAP 2.

**October 15, 2021** – Deadline to apply for PATHH for pandemic assistance for timber harvesters and haulers.

**November 1, 2021** – Deadline to apply for the Organic Certification Cost Share Program (OCCSP). Cost share funds available for organic certification expenses paid from October 1, 2020 through September 30, 2021.

**November 1, 2021** – County Committee election ballots mailed to eligible voters.

**November 11, 2021** – Veterans Day. USDA service centers will be closed.

**November 22, 2021** – Deadline to obtain 2022 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 25, 2021** – Thanksgiving Day. USDA service centers will be closed.