



August 2011

Washington State FSA Office

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County office contact
information can be found at:
http://www.fsa.usda.gov/Intemet/FSA_File/sto_dir.pdf
OR
<http://offices.sc.egov.usda.gov/locator/app?state=wa&agency=fsa>

NOTICE: Due to funding cuts, no paper newsletters will be printed until October. Until then, an electronic newsletter will be posted on the FSA WA web site (around the 15th of each month).

BCAP Update

Through September 16, eastern Washington farmers can sign up for the Biomass Crop Assistance Program.

Through a partnership with AltAir Fuels LLC and Beaver Biodiesel LLC, up to 11,000 acres of land can be applied for and planted to camelina, an oilseed.

Producers enter into five-year contracts with FSA to grow camelina. In return, FSA pays a county rental rate annually, plus a bonus.

Every county in eastern Washington is eligible, except for Kittitas, Yakima and Klickitat. Whitman County is eligible for both the AltAir and Beaver projects.

Contracts will be awarded on a first-come-first-serve basis. There are differences between the two project areas. A fact sheet for Project Area 6, can be found [here](#), and [here](#) for Project Area 8.

MILC Participant Changes

Dairy producers who are enrolled in the Milk Income Loss Contract Program (MILC) and want to change their start date for fiscal 2012 MILC payments to October, 2011 have until September 14, 2011 to request the change. Additionally, producers who currently have October as their start month and would like to change it must also make that change by September 14, 2011.

- Dairy producers are allowed to change their start month an unlimited number of times throughout their enrollment in MILC provided that the changes are made: on or before day 14 of the month prior to the new MILC production start-month (unless that day falls on a weekend federal holiday, then the date falls to the previous business day); and

- before payment is sought; and
- before the original selected MILC production start-month has passed.

For example, if a dairy operation's current start-month for fiscal year 2012 is January, and the dairy operation decides to change the start-month to October, the new start-month would have to be selected by September 14, 2011.

If the start-month is never changed, it will remain the same throughout the MILC contract's duration.

The MILC program compensates dairy producers when the Boston Class I milk price falls below \$16.94 per hundredweight. Payments will be made on an operation-by-operation basis up to a maximum of 2.985 million pounds of milk produced and marketed by the dairy operation per fiscal year.

Dairy operations that are unsure of their start month or would like to change their start month should contact their local FSA county office.

Dairy producers interested in applying for the MILC program can visit a local FSA office or download the [application](#).

AGI Reconciliation Process

In order to retain FSA program payments, producers must have an adjusted gross income verification consent form on file with the IRS. FSA will mail out notices to producers in September.

These forms authorize the IRS to verify whether a payment recipient meets eligibility requirements for FSA programs. This form first became a requirement for producers in the 2009 crop year.

Principal operators are not the only people required to have these forms on file. Landlords must also have the required paperwork with the IRS for both parties to be eligible. For legal entities, all members of the entity must also file these forms.

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Crop Insurance Deadlines

2012 Crop Year

8/31/11 – Canola and rapeseed for fall planted types. Fall planted onions in Walla Walla County.

9/30/2011 – Winter mint coverage, alfalfa forage seed pilot, and fall planted barley with winter coverage in selected counties. Also, fall planted dry peas/lentils with winter coverage in select counties and wheat.

NAP Deadlines

2012 Crop Year

8/31/11 - Canola & rapeseed; onions, carrots and cabbage (for seed or fresh); value loss crops (aquaculture, Christmas trees, turf grass sod, floriculture, mushrooms); artichokes and any fall planted crops not mentioned in any other closing date

9/30/11 - Perennial grazing crops; perennial forage crops; forage seed crops; mint and wheat

11/20/11 - All Perennial crops not listed under the 9/30 category (berries, fruit trees, grapes, asparagus); honey

AGI continued

Without these forms on file, producers jeopardize receiving USDA program payments.

FSA is not the only agency affected by this verification process. Conservation payments and other program payments through the NRCS could also be impacted. Any participant who did not file the form or did not have it accepted by the IRS will receive notification of 2009 and 2010 program ineligibility later this year.

For more information on the income eligibility requirements or the corresponding verification process, contact your local FSA office. The adjusted gross income forms, [CCC-927](#) and [CCC-928](#), can also be downloaded from <http://fsa.usda.gov>.

Fall Crop Insurance Reminders and Updates

USDA's Risk Management Agency (RMA) reminds producers of important **2012 crop year Federal Multi-Peril Crop Insurance (MPCI) sales closing dates** and changes to fall planted crop programs.

- Winter coverage for the **Barley** Multi-Peril Crop Insurance (MPCI) program was added for Asotin County;
- Winter coverage for **Dry Peas** is available in Asotin, Douglas, Lincoln and Whitman counties Washington; and
- Coverage for the **Forage (Alfalfa) Seed Pilot** is provided via written agreement in counties outside the current pilot area: Grant and Walla Walla counties. Producers wishing to insure alfalfa seed in counties outside the current pilot area should submit requests for written agreements through an insurance agent by September 30, 2011.

If there is no coverage filed in a county for a specific crop under the traditional MPCI program, producers are encouraged to ask a crop insurance agent whether they would be eligible for coverage under a written agreement.

RMA also reminds Washington producers of the 2012 crop year sales closing deadlines:

RMA reminds producers of the important link between Federal crop insurance and Farm Service Agency (FSA) disaster programs. For non-insurable crops, a producer may buy coverage under the Noninsured Crop Disaster Assistance Program by the closing date. For further information about timetables, please contact the local FSA County Office.

Producers are encouraged to visit their crop insurance agent soon to learn specific details for the 2012 crop year. Federal crop insurance program policies are sold and delivered solely through private crop insurance companies and agents. A list of crop insurance agents is available at all USDA Service centers throughout the United States or on the RMA [Web site](#).

NAP Deadlines

The Non-Insured Crop Disaster Assistance Program provides financial assistance to farmers and ranchers who suffered crop damage from natural disasters. A NAP policy can be obtained from FSA for any commodity not covered by crop-insurance.

The application fee for NAP coverage is \$250 per crop, up to \$750 per county. The maximum for multiple crops in more than one county is \$1,875 per crop year. In return, the crop is covered from catastrophic loss of production or prevented planting due to natural disaster conditions. Waivers are available for limited resource farmers.

Losses must be reported to FSA within 15 days after the adverse weather event or when the loss becomes evident. Producers may receive a payment if all eligibility requirements have been met and the crop suffers greater than a 50% production loss for weather related damages. Some of the basic eligibility requirements include annual reporting of crop acreages, providing actual production evidence on a yearly basis and obtaining a loss adjustor appraisal if the damaged crop will be destroyed or left unharvested.

NAP is also a requirement for the Supplemental Revenue Assistance Payments (SURE) Program and other FSA disaster programs.

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NAP continued

Contact the county office for more information to apply for NAP coverage.

A NAP fact sheet can be found at:
http://www.fsa.usda.gov/Internet/FSA_File/nap09.pdf

CRP Reminders

CRP participants with contracts that started October 1, 2010, need to report completion of cover crop seeding to receive cost share payments.

Participants with contracts in their fifth-to-sixth year are required to conduct mid-contract management activities. These activities enhance or reinvigorate the cover. Producers may also obtain a waiver from their local county committee.

Weed control is also a priority for CRP contract-holders. Noxious weeds and other undesirable plant species can negatively affect acreage of the contract-holder and neighboring land. The annual rental payment generally includes some compensation for the costs of weed-removal. Failure to control weed populations can result in reduced payments, replanting requirements or in severe situations, termination of the CRP contract.

Prompt Disaster Reporting

Prompt weather-related disaster reporting is crucial for FSA to determine the need for disaster designations, and ultimately provide producer assistance. Producers should report damage to their county FSA office as soon as it becomes apparent. Losses reported more than 15 days after the damage occurs or becomes apparent can impact eligibility for some disaster programs.

Disaster designations trigger availability of low-interest loans and direct payments under the Supplemental Revenue Assistance Payment Program (SURE) for farmers and ranchers in a county. SURE benefits help offset the loss of farm revenue associated with the disaster year.

Producers are only eligible for SURE if they obtained crop insurance or Noninsured Crop Assistance Program (NAP) coverage on all crops of economic

significance. NAP coverage is available through FSA for any crop that is not covered by Risk Management Agency crop insurance programs.

Emergency loans may be used to replace essential property or pay production costs associated with the disaster year. They may also be used to pay essential living expenses, reorganize a farming operation or refinance certain debts.

Helpful documentation includes the specific location of farm damage, date and time of the disaster event, the type of damage (hail, wind, etc), what was affected and the estimated percent of loss. Photographic evidence of significant damage is helpful also as both FSA and insurance agents use it in support of future program applications and cumulative damage reports.

ACRE Production Deadline Extension

The deadline to certify production for the Average Crop Revenue Election (ACRE) Program has been extended to September 1, 2011. Failure to report by this new deadline will result in forfeiture of all 2010 ACRE payments, including those already issued.

The ACRE fact sheet can be found at:
http://www.fsa.usda.gov/Internet/FSA_File/acre_2011_fact_sheet.pdf

Honey is now an FSFL Approved Commodity

Unprocessed honey has been added to the eligible commodity list for the Farm Storage Facility Program (FSFL).

The FSFL program provides low-interest financing for producers to build or upgrade farm storage and handling facilities. Facilities for honey storage must have an active life of 15 years or more. Plans can be for a new facility, or upgrades to an existing building.

Producers interested in the program must have NAP coverage or crop insurance to be eligible. Additionally, the proposed facility must be capable of storing one year of honey production.

Processed honey stored in jars is ineligible for the program.

Facility plans are approved by the local FSA County Committee.

CRP Fact Sheets

A General CRP fact sheet is located [here](#).

A CRP haying and grazing fact sheet is [here](#).

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