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## Washington State FSA Newsletter

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### Washington State Farm Service Agency

316 W. Boone, Ste. 568  
Spokane, WA 99201

[www.fsa.usda.gov/wa](http://www.fsa.usda.gov/wa)

#### State Committee:

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Larry DeHaan, Member  
Sheryl Hagen-Zakarison,  
Member  
Seve Hair, Member  
Jesus Limon, Member

#### State Executive Director:

Judy Olson

#### Division Chiefs:

Mike Mandere -

### USDA Provides Greater Protection for Fruit, Vegetable and Other Specialty Crop Growers

#### Free Basic Coverage Plans and Premium Discounts Available for New, Underserved and Limited Income Farmers

Greater protection is now available from the Noninsured Crop Disaster Assistance Program for crops that historically have been ineligible for federal crop insurance. The new options, created by the 2014 Farm Bill, provide greater coverage for losses when natural disasters affect specialty crops such as vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, and energy crops.

Previously, the program offered coverage at 55

Administration  
Mike Mykines - Loans  
Rod Hamilton - Programs

Please contact your [local FSA](#) Office for questions specific to your operation or county.

percent of the average market price for crop losses that exceed 50 percent of expected production. You can now choose higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price.

The expanded protection will be especially helpful to beginning and traditionally underserved producers, as well as farmers with limited resources, who will receive fee waivers and premium reductions for expanded coverage. More crops are now eligible for the program, including expanded aquaculture production practices, and sweet and biomass sorghum. For the first time, a range of crops used to produce bioenergy will be eligible as well.

To help you learn more about the Noninsured Crop Disaster Assistance Program and how it can benefit you, USDA, in partnership with Michigan State University and the University of Illinois, created an online resource. The Web tool, available at [www.fsa.usda.gov/nap](http://www.fsa.usda.gov/nap), allows producers to determine whether your crops are eligible for coverage. It also gives you an opportunity to explore a variety of options and levels to determine the best protection level for your operation.

If the application deadline for an eligible crop has already passed, you will have until **Jan. 14, 2015**, to choose expanded coverage through the Noninsured Crop Disaster Assistance Program. To learn more, visit the Farm Service Agency (FSA) website at [www.fsa.usda.gov/nap](http://www.fsa.usda.gov/nap) or contact your local FSA office at [offices.usda.gov](http://offices.usda.gov). FSA also wants to hear from producers and other interested stakeholders who may have suggestions or recommendations on the program. Written comments will be accepted until Feb. 13, 2015 and can be submitted through [www.regulations.gov](http://www.regulations.gov).

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## **FSA Announces New Yield Data for Safety Net Calculations**

***Yield History May be Updated through Feb. 27, 2015***

The U.S. Department of Agriculture Farm Service Agency (FSA) offers farmers new information to

update program payment yields that will help you better select protections offered by the Agricultural Risk Coverage (ARC) and Price Loss Coverage (PLC) programs. The new programs, established by the 2014 Farm Bill, are cornerstones of the commodity farm safety net, offering you protection when market forces cause substantial drops in crop prices and revenues.

The Farm Bill provides you with the option of updating your farm program payment yields and this is the first time that many producers have been able to update yields since 1986. FSA has worked with the Risk Management Agency (RMA) to make available certified yield data that you can use to better calculate how the new safety net programs can offer the best protection against market swings.

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## Important ARC/PLC Program Deadlines Approaching

The deadline to update yield history and/or reallocate base acres is **Feb. 27, 2015**. Farm owners and producers can choose between the new 2014 Farm Bill established programs, Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) through **March 31, 2015**. The new programs, designed to help producers better manage risk, usher in one of the most significant reforms to U.S. farm programs in decades.

USDA helped create online tools to assist in the decision process, allowing you to enter information about your operation and see projections that show what ARC and/or PLC will mean for you under possible future scenarios. You may access the online resources, available at [www.fsa.usda.gov/arc-plc](http://www.fsa.usda.gov/arc-plc), from the convenience of your home computer or mobile device at any time.

Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium grain rice (which includes short grain rice), safflower seed, sesame, soybeans, sunflower seed and wheat. Upland cotton is no longer a covered commodity.

FSA and WSU Extension are conducting informational meetings to help producers understand the ARC/PLC options. A schedule of meetings can be found at [www.fsa.usda.gov/wa](http://www.fsa.usda.gov/wa) and click on the State Events [link](#).

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## ACR/PLC Fact or Fiction

The complexity of the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs have resulted in some hesitancy and confusion on the part of producers. The following facts are offered to dispel some of the rumors FSA has been hearing.

**Fiction:** Producers should delay making an appointment with FSA to start the ARC/PLC decision and enrollment process because there are lots of changes still occurring in the program.

**Fact:** While a limited number of policy decisions are still under review, the vast majority of program provisions have already been established under the statute and FSA policies. Most producers have the information needed to begin analyzing your options with FSA staff.

**Fiction:** The ARC/PLC “decision tool” includes a number of errors, so it doesn’t do any good to start looking at it now.

**Fact:** The Texas A&M tool, which WSU Extension is focusing on, is functioning properly. However, the tool is complex and requires a good understanding of the analysis it provides. FSA recently brought A&M staff to Washington to further train WSU and FSA staff on the tool, and WSU will be conducting additional producer training sessions in the coming weeks. FSA hopes to have the missing crop yields in the tool in the next few weeks. Producers are strongly encouraged to attend these sessions so you can begin using the tool to analyze your options. Because the tool requires a significant amount of farm data, a data entry worksheet is provided at [http://www.fsa.usda.gov/Internet/FSA\\_File/arc\\_plc\\_data\\_requirements.pdf](http://www.fsa.usda.gov/Internet/FSA_File/arc_plc_data_requirements.pdf) for your use in gathering all the required information before you begin using the tool.

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## New Farm Bill Offers Increased Opportunities for Producers

The 2014 Farm Bill offers increased opportunities for producers including farm loan program modifications that create flexibility for new and existing farmers. A fact sheet outlining modifications to farm loan programs is available [here](#).

Changes that will take effect immediately include:

- Elimination of the 15-year term limit for guaranteed operating loans.
- Modification of the definition of beginning farmer, using the average farm size for the county as a qualifier instead of the median farm size.
- Modification of the Joint Financing Direct Farm Ownership interest rate to 2 percent less than the regular Direct Farm Ownership rate, with a floor of 2.5 percent. Previously, the rate was established at 5 percent.
- Increase of the maximum loan amount for Direct Farm Ownership Down Payment Loan Program from \$225,000 to \$300,000.
- Elimination of rural residency requirement for Youth Loans, allowing urban youth to benefit.
- Debt forgiveness on Youth Loans, which will not prevent borrowers from obtaining additional loans from the federal government.
- Increase of the guaranteed percentage on Conservation Loans from 75 to 80 percent and 90 percent for traditionally underserved borrowers and beginning farmers.
- Microloans will not count toward direct operating loan term limits for veterans and beginning farmers.

Additional modifications must be implemented through the rulemaking processes. Visit the [FSA Farm Bill website](#) for detailed information and updates to farm loan programs.

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## LDPs for Unshorn Lamb Pelts

Eligible producers have until **Jan. 31, 2015**, to apply for Loan Deficiency Payments (LDPs) for unshorn pelts produced during the 2014 crop year.

You must have beneficial interest in the pelts, owned the lamb for at least 30 calendar days before the date of slaughter and sell the unshorn lamb for immediate slaughter. You must also comply with wetland conservation and highly erodible land conservation provisions on all lands you operate or

have interest in.

To qualify for payment, pelts must have been produced by an eligible producer from live unshorn lambs of domestic origin in the United States.

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## Important Annual Reminders

### FSA Signature Policy

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits. The following are FSA signature guidelines:

- Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the [county office](#).
- Spouses shall not sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities.

For additional clarification on proper signatures contact your [local FSA office](#).

### 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. The Farm Service Agency administers this program for USDA.

All individuals who are not U.S. citizens and have purchased or sold agricultural land in the country are required to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form (FSA-153) 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.

### Farming Operation Changes

Producers who have bought or sold land, or added or dropped rented land from your operation must report those changes to the FSA office as soon as possible. A copy of the deed or recorded land contract for purchase property is needed to maintain accurate records with FSA. Failure to do so can lead to possible program ineligibility and penalties. While making record updates, be sure to update signature authorizations. Making record changes now will save time in the spring.

### Breaking New Ground

Agricultural producers are reminded to consult with FSA and NRCS before breaking out new ground for production as doing so without prior authorization may put a producer's federal farm program benefits in jeopardy. This is especially true for land that must meet Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions.

Producers with HEL determined soils must apply tillage, crop residue and rotation requirements as specified in their conservation plan.

Producers should notify FSA prior to conducting land clearing or drainage projects to ensure compliance. If you intend to clear any trees to create new cropland, these areas will need to be

reviewed to ensure any work will not risk your eligibility for benefits.

Landowners and operators can complete form AD-1026 Highly Erodible Land Conservation (HELCS) and Wetland Conservation (WC) Certification to determine whether a referral to Natural Resources Conservation Service (NRCS) is necessary.

### **Controlled Substance**

Any person convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant. Prohibited plants include marijuana, opium, poppies and other drug producing plants.

### **Special Accommodations**

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact your [local FSA office](#) staff directly or by phone.

### **Power of Attorney**

For those who find it difficult to visit the county office because of work schedules, distance, health, etc..., FSA has a power of attorney form available that allows producers to designate another person to conduct business at the office. If interested, contact your [local FSA office](#).

### **Bank Account Changes**

Current policy mandates that FSA payments be electronically transferred into a bank account. In order for timely payments to be made, producers need to notify the FSA county office when an account has been changed or if another financial institution purchases the bank where payments are sent. Payments can be delayed if the FSA office is not aware of updates to bank accounts and routing numbers.

### **Appeal Process**

After an FSA official makes a decision on a request for USDA services or application, the producer will be sent a letter informing him/her of the decision and options that can be pursued.

Generally, program participants have three choices — an informal review with the original agency decision-maker, an opportunity for mediation and finally an appeal to the next level of authority within the agency.

### **Maintaining the Quality of Loaned Grain**

Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that you are responsible for maintaining the quality of the grain through the term of the loan.

### **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 call your [local FSA office](#) before you haul any grain under loan.

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## Value-Added Producer Grant Workshops

FREE, half-day workshops will be held at various locations around the state to provide an overview of the USDA Value Added Producer Grant program. Value Added Producer Grants may be used for feasibility studies or business plans, working capital or marketing value added agricultural products and for farm-based renewable energy projects.

For more information about the Value Added Producer Grant Program, please go to the web at [http://www.rurdev.usda.gov/BCP\\_VAPG.html](http://www.rurdev.usda.gov/BCP_VAPG.html)

- Burlington - Jan. 13, 2015
- Olympia - Jan. 14, 2015
- Yakima - Jan. 14, 2015
- Wenatchee - Jan. 22, 2015
- Sequim - Jan. 15, 2015

Yakima and Wenatchee workshops, please contact Roni Baer at 509-454-5743, Ext 134, or email her at [veronica.baer@wa.usda.gov](mailto:veronica.baer@wa.usda.gov).

Burlington workshop, please contact Melanie Drecksell at 360-428-4322, ext 158 or email [melanie.drecksell@wa.usda.gov](mailto:melanie.drecksell@wa.usda.gov).

Olympia & Sequim workshops, please contact Greg York at 360-704- 7729 or email [gregory.york@wa.usda.gov](mailto:gregory.york@wa.usda.gov).

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## 2015 Women in Agriculture Conference

Enjoy a day of inspiration, learning and networking with other women producers. This one-day gathering takes place simultaneously in 28 locations throughout Washington, Idaho, Oregon and Alaska. This year's conference on Saturday, **Feb. 21**, focuses on marketing. It features keynote speaker Emily Asmus from Welcome Table Farm in Walla Walla, WA and Erica Mills from Claxon Marketing in Seattle, WA.

For more information, registration and a list of locations, visit: [www.WomenInAg.wsu.edu](http://www.WomenInAg.wsu.edu).

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## Important Dates and Deadlines

- Jan. 14, 2015 – New NAP buy-up deadline for 2015 crops in which the application deadline has past.
- Jan. 30, 2015 - Deadline to request early CRP contract termination.
- Jan. 31, 2015 - Deadline to apply for LDPs for 2014 unshorn pelts.
- Feb. 27, 2015 – Deadline to update yield history and/or reallocate base acres.
- March 31, 2015 – Deadline to make a one-time election between ARC and PLC for the 2014 through 2018 crop years.
- Mid-April 2015 through summer 2015 – Sign ARC and PLC contracts for 2014 and 2015

crop years.

### **Crop Acreage Reporting Dates for 2015 Crop Year**

- Dec. 15, 2014 - Fall seeded crops
- Jan. 15, 2015 - Perennial fruit, berries and grapes
- July 15, 2015 - Spring seeded crops, CRP.

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USDA is an equal opportunity provider and employer. 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).