

April 2015



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## Washington FSA Newsletter

### Washington Farm Service Agency

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

#### State Committee:

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Steve Hair, Member  
Jesus Limon, Member  
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Member

#### State Executive Director:

Judy Olson

#### Division Chiefs:

Mike Mandere,  
Administration  
Rod Hamilton, Programs

### USDA Proposes Changes to Payment Limit Rules

In keeping with 2014 Farm Bill requirements, the U.S. Department of Agriculture (USDA) proposed a rule to limit farm payments to non-farmers. The proposed rule limits farm payments to individuals who may be designated as farm managers but are not actively engaged in farm management. Under the proposed rule, non-family joint ventures and general partnerships must document that their managers are making significant contributions to the farming operation, defined as 500 hours of substantial management work per year, or 25 percent of the critical management time necessary for the success of the farming operation.

Operations will be limited to only one manager who can receive a safety-net payment. Operators that can demonstrate they are large and complex could be allowed payments for up to three managers only if they can show all three are

Mike Mykines, Loans

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

actively and substantially engaged in farm operations. The changes specified in the rule would apply to payment eligibility for 2016 and subsequent crop years for Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) Programs, loan deficiency payments and marketing loan gains realized via the Marketing Assistance Loan program.

As mandated by Congress, family farms will not be impacted. There will also be no change to existing rules for contributions to land, capital, equipment, or labor. Only non-family farm general partnerships or joint ventures comprised of more than one member will be impacted by this proposed rule.

Stakeholders interested in commenting on the proposed definition and changes are encouraged to provide written comments at [www.regulations.gov](http://www.regulations.gov) by May 26, 2015. The proposed rule is available at <http://go.usa.gov/3C6Kk>.

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## Determining Dairy Payments

If you are a dairy producer enrolled in the Margin Protection Program for Dairy (MPP-Dairy), you can now check the FSA website to find monthly feed prices, all-milk prices, final feed costs for MPP-Dairy, and the milk margin minus feed costs price. With these prices, you can determine whether you are eligible to receive an MPP-Dairy payment. Your payment will be determined by the level of coverage you elected.

Here are step-by-step instructions for locating the MPP-Dairy prices:

1. Access the FSA Home page through any internet browser by typing [www.fsa.usda.gov](http://www.fsa.usda.gov) into the search address bar.
2. When the FSA Home page is displayed, directly under the USDA logo at the top left corner of the screen you will see a "Programs and Services" tab.
3. Holding your mouse over the tab, it will display a drop down menu. You should see "Dairy Margin Protection Program" located alphabetically in the menu.
4. Click on "Dairy Margin Protection Program"

and scroll down the page to “Prices.”

5. You will see the chart listing monthly feed prices, all-milk prices, final feed costs for MPP-Dairy, and the Milk Margin Minus Feed Costs price.

The January and February 2015 milk margins minus feed cost prices have been posted. The January/February 2015 milk margin is \$7.995540.

At a milk margin minus feed costs of \$8 or less, payments are possible depending on the level of coverage chosen by the dairy producer.

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## **Financial Tips for Beginning Farmers**

The Farm Service Agency farm loan staff finances, with farm operating and farm ownership loans, beginning farmers and ranchers. If you are a beginning farmer or rancher, or are mentoring a young, beginning farmer, FSA offers the following 7 good business habits to help beginning farmers:

1. Maximize your profits in lean years and save back in the good years.
2. Continue to educate yourself. Glean information from established successful operations.
3. Develop strong relationships by networking.
4. Analyze your farm technology investments. Computerize your record keeping system.
5. Reduce conflict among your farm team.
6. Keep adequate, up-to-date farm records of income, expenses and yields.
7. When applying for a farm loan, gather your records: taxes, bills, crop contracts, leases, and anything showing projected income. A bank statement which coincides with the beginning of your tax year is helpful. Take these records with you when you meet with your loan officer.

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## **ARC/PLC Deadlines Extended Until April 7**

Farm owners and producers have an additional week, until April 7, 2015, to choose between Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC), the safety-net programs established by the 2014 Farm Bill. The final day to update yield history or reallocate base acres also will be April 7, 2015. It is your responsibility to review all your documents to ensure information is accurate and all necessary signatures are present.

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## Sorghum Producers to Vote on Continuance of Checkoff Program

USDA is conducting a sorghum referendum regarding the continuation of the Sorghum Checkoff Program. The referendum runs through April 21, 2015, at county USDA Farm Service Agency (FSA) offices. Ballots may be obtained in person, by mail or facsimile at county FSA offices, or via the Internet.

Any eligible person engaged in the production or importation of sorghum from January 1, 2011, to December 31, 2014, is eligible to participate. Individuals are required to provide documentation such as a sales receipt or remittance form that shows they engaged in the production or importation of sorghum.

The Sorghum Checkoff Program, and its 13-member board, is authorized by the Commodity Promotion, Research, and Information Act of 1996. The Sorghum Checkoff is intended to be a national, coordinated, self-help marketing program designed to strengthen the position of sorghum in the marketplace, maintain and expand existing domestic and foreign markets and uses for sorghum, and develop new markets and uses for sorghum.

The final procedures were published in the November 18, 2010, Federal Register. The notice announcing the dates of the referendum were published in the February 19, 2015, Federal Register.

For more information, contact Craig Shackelford, Marketing Specialist, Research and Promotion Division, Livestock, Poultry, and Seed Program, AMS, USDA, 22 Jamesport Lane, White, GA 30184; Telephone: (470) 315-4246; [craig.shackelford@ams.usda.gov](mailto:craig.shackelford@ams.usda.gov). Procedures and additional information about the referendum can be found at: [www.ams.usda.gov/SorghumReferendum](http://www.ams.usda.gov/SorghumReferendum).

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## The Farm Service Agency Anticipates More Hires

The Farm Service Agency expects to announce at least two more vacancies in Washington state this spring. The agency particularly looks for candidates who have agricultural backgrounds and are passionate about serving farmers and ranchers. As vacancies arise, they are posted on the USAJobs website at <https://www.usajobs.gov/>. Temporary positions are posted on [www.fsa.usda.gov/wa](http://www.fsa.usda.gov/wa).

You may also contact Mitzi Stephens at the FSA State Office at [mitzi.stephens@wa.usda.gov](mailto:mitzi.stephens@wa.usda.gov) or (509) 323-3007.

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## Rural Pathways to Prosperity Conference

USDA's Rural Development is partnering with WSU Extension to host a rural entrepreneur workshop in multiple communities throughout the state. Erik Pages, a nationally known expert in the field of rural entrepreneurship, will be the keynote speaker on April 17, 2015. Check <http://waruralprosperity.wsu.edu/> to learn more about the conference.

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## Important Dates and Deadlines

- **April 7, 2015** – Deadline to make a one-time election between ARC and PLC for the 2014 through 2018 crop years. Deadline to update yield history and/or reallocate base acres.
- **April 21, 2015** - Deadline to return sorghum referendum ballot to FSA office.

- **June 1, 2015** - Deadline to request a commodity marketing assistance loan (MAL) or loan deficiency payment (LDP) for 2014 harvested crops of corn, dry peas, grain sorghum, lentils, mustard seed, rice, safflower seed, chickpeas, soybeans and sunflower seeds.
  - **Early June through summer 2015** – Sign ARC and PLC contracts for 2014 and 2015 crop years.
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