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Washington State FSA Newsletter

Washington State Farm Service Agency

316 W. Boone, Ste. 568
Spokane, WA 99201-2350

www.fsa.usda.gov/wa

State Committee:

Don Olmstead, Jr., Chair
Larry DeHaan, Member
Steve Hair, Member
Jesus Limon, Member
Sheryl Hagen-Zakarison,
Member

State Executive Director:

FSA Accepting Nominations for County Committees

Farmers and ranchers have an opportunity to influence federal farm programs with their local knowledge. FSA is seeking nominations for farmers and ranchers willing to represent their peers on the agency's county committees. All county FSA offices will accept nominations through **August 3, 2015** for this fall's elections.

FSA county committees make decisions which impact program payments. They can settle appeals of agency decisions. And, they're responsible for hiring FSA managers at the county level.

Judy Olson

Division Chiefs:

Mike Mandere,
Administration
Rod Hamilton, Programs
Mike Mykines, Loans

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

FSA encourages all interested agricultural producers, including women and minority growers, to seek nomination. Eligible candidates must participate or cooperate in any Farm Service Agency program and be of legal voting age. Even if you are not currently participating in FSA programs, you are considered eligible to vote if you have farm records on file with the agency.

Each county committee draws its members from local administrative areas. Nominated by local farmers and ranchers, candidates must live in the county's local administrative area they will represent and must be eligible to vote in the county election. Members serve on staggered three-year terms so that one-third of the seats are up for re-election each year. If you would like to nominate a candidate, or yourself, contact your local [FSA office](#) or check the [LAA map](#) on the FSA website www.fsa.usda.gov/wa to find out which local administrative areas are up for election.

Elected county committee members receive an hourly wage for their attendance and representation at county committee meetings.

Elections will take place in the fall and newly elected committee members begin their terms in January 2016. FSA will send ballots to all eligible voters. Additional information and nomination forms may be requested from any [FSA office](#). Nomination forms may also be obtained [online](#).

Deadline Nears for NAP Crop Reporting

If you have Non-insured Crop Disaster Program (NAP) coverage for any of your crops, remember to report acreage for planted and prevented planted crops by **July 15, 2015** to your local [FSA office](#).

The following crop acreage information must be reported: name of the crop; type and variety; location and acreage of the crop; share of the crop and the names of other producers with an interest in the crop; whether the crop is irrigated or non-irrigated; date the crop was planted in each field; and intended use of the commodity (fresh, processed, etc.).

FSA uses acreage reports to verify the existence

of the crop and to record the number of acres covered by the application. Failure to report acreage and production information for NAP-covered crops may result in reduced or zero NAP assistance.

USDA Packages Disaster Protection with Loans to Benefit Specialty Crop and Diversified Producers

Free basic coverage and discounted premiums available for new and underserved loan applicants

Producers who apply for FSA farm loans have the opportunity to enroll in new disaster loss protections created by the 2014 Farm Bill. The new coverage, available from the Noninsured Crop Disaster Assistance Program (NAP), is available to FSA loan applicants who grow non-insurable crops, so this is especially important to fruit and vegetable producers and other specialty crop growers.

New, underserved and limited income specialty growers who apply for farm loans could qualify for basic loss coverage at no cost, or higher coverage for a discounted premium.

The basic disaster coverage protects at 55 percent of the market price for crop losses that exceed 50 percent of production. Covered crops include “specialty” crops, for instance, vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, hay, forage, grazing and energy crops. FSA allows beginning, underserved or limited income producers to obtain NAP coverage up to 90 days after the normal application closing date when they also apply for FSA credit.

In addition to free basic coverage, beginning, underserved or limited income producers are eligible for a 50 percent discount on premiums for the higher levels of coverage that protect up to 65 percent of expected production at 100 percent of the average market price. Producers also may work with FSA to protect value-added production, such as organic or direct market crops, at their fair market value in those markets. Targeted underserved groups eligible for free or discounted coverage are American Indians or Alaskan Natives, Asians, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, Hispanics, and women.

FSA offers a variety of loan products, including farm ownership loans, operating loans and microloans that have a streamlined application process.

Growers need not apply for an FSA loan, nor be a beginning, limited resource, or underserved farmer, to be eligible for Noninsured Crop Disaster Assistance Program assistance. To learn more, visit www.fsa.usda.gov/nap or www.fsa.usda.gov/farmloans, or contact your local [FSA office](#).

Registration for MPP-Dairy 2016 Begins July 1

The Farm Service Agency will begin accepting registration for the Margin Protection Program for Dairy (MPP-Dairy) starting July 1, 2015. Registration covers the 2016 production year. The MPP-Dairy offers protection to dairy producers when the difference between the all milk price and the average feed cost (the margin) falls below a certain dollar amount you, as producer, select.

During registration, you may choose a percentage of coverage from 25 to 90 percent of your established production history in five percent increments and a coverage level threshold from \$4.50 to \$8.00 in \$.50 increments. The production history of your dairy operation will be adjusted to reflect

any increase in the national average milk marketing production. There will be no change in production history through the expansion or reduction in herd size of any participating dairy operation.

Producers who enrolled for 2015 must select coverage levels during the application period, even if they are unchanged from 2015. Producers may also opt out of the program during the period. Failure to do one of these will result in the dairy operation's coverage defaulting to the catastrophic (CAT) level of 90 percent at a \$4.00 margin. Dairy producers who did not enroll in 2015 may enroll for 2016 during this period and select the coverage levels of their choice. You may only select one coverage level percentage and coverage level threshold for the applicable calendar year. All producers in the participating dairy operation with a share and risk in the milk marketing must agree to the coverage elected on the contract.

Register at your local Farm Service Agency office by completing form CCC-782, Contract and Annual Coverage Election and paying the \$100 administrative fee and any applicable premiums. MPP-Dairy registration for the 2016 production year will close on September 30, 2015. Contact your local [FSA office](#) to make an appointment to register, or if you have questions about the MPP-Dairy program.

Margin Protection Program for Dairy Producers – 2015 Payment Rates

The March/April milk margin is \$7.50415. Dairy producers who selected \$8.00 coverage level will be paid \$0.49585 per hundredweight.

The January/February milk margin is \$7.99554. Dairy producers who selected \$8.00 coverage level will be paid \$0.00446 per hundredweight.

CRP Signup and Contract Extensions Announced

Agriculture Secretary Tom Vilsack announced that there will be a Conservation Reserve Program general signup to be held Dec. 1, 2015, through Feb. 26, 2016. Eligible existing program participants with contracts expiring Sept. 30, 2015 will be granted an option for one-year extensions.

Farmers and ranchers interested in removing sensitive land from agricultural production and planting grasses or trees to reduce soil erosion, improve water quality and restore wildlife habitat are encouraged to enroll. You may also consider enrolling land in Continuous CRP under one of the initiatives that targets specific resource concerns. Financial assistance is offered for many practices including conservation buffers and pollinator habitat plantings, and initiatives such as the highly erodible lands.

If you are interested in extending an expiring contract or would like to know about options under the Continuous CRP, contact your local [FSA office](#).

Returning CRP Acreage to Production

The Farm Service Agency has made recent changes that may allow Conservation Reserve Program (CRP) cover destruction to begin now for land to be returned to production this fall.

FSA may make case-by-case waivers to the current provision which states cover destruction cannot begin until after July 1. However, due to drier conditions in the West and the need to prepare a field for fall planted crops in a manner to maximize soil moisture retention, waivers to this nationwide provision may be made in Washington state.

A waiver would allow vegetative cover destruction, by chemical application only. No other cover destruction activities, such as tillage, burning, etc., will be permitted before July 1.

Waivers may only be granted for land that will be planted to a fall seeded crop. The land must be in an area with less than 25" in average annual precipitation. A conservation plan may be required. Consultation regarding a conservation plan should be made with NRCS or a technical service provider.

The contract payment will be reduced to zero for the period from the date of cover destruction through Sept 30, 2015.

CRP contract holders who are interested in a waiver must file a CRP-1G form to request early land preparation. The request for waiver will be sent to the FSA State Office for approval. The request needs to specify that the criteria above will be met. To request a waiver allowing early CRP cover destruction or if you have questions about expiring CRP, contact the [county FSA office](#). FSA has made available online a [brochure](#) detailing different options for land following taking it out of CRP.

Weathering the Drought

Washington's Governor Jay Inslee has declared a drought for the entire state. The Farm Service Agency and other USDA agencies provide resources to assist farmers suffering from weather-related events. However, these programs are triggered by Secretarial Disaster Designations (Secretary of Agriculture), the U.S. Drought Monitor and other triggers. To learn more about USDA resources available to assist during drought, check www.fsa.usda.gov/Internet/FSA_File/drought_brochure2015_2.pdf.

Prompt weather-related disaster reporting is crucial for FSA to determine the need for disaster declarations. If you experienced crop damage or other agriculture losses due to recent weather events, contact your [county FSA office](#) and your crop insurance agent. It is also important to document your losses.

The ABCs of Farming

If you want to be successful at farming you need to follow the ABCs of farming. You will need to have 3 best friends, your attorney, your banker, and your certified public accountant (CPA). At some point in your farming career you will realize that you need to have a close relationship with each of these 3 professionals.

You will be able to manage the production side of farming, the marketing side of farming and the administrative side of farming. However, you will continue to need professional advice from each of your 3 best friends, the ABC group. Few people are an expert in all areas. Know your weaknesses and ask for advice.

Your attorney will help you to set up your business and as you grow will help you to manage your business. Your banker will help you set up your operating line of credit and help you to evaluate your credit needs for capital or long term purchases. You will need different levels of credit throughout your career of farming. Your CPA will help you to file your taxes and give you a balance sheet each year so you are able to evaluate your finances.

You may become very good at the production side of farming and, with weather permitting, have exceptional yields. This is only part of the picture. You still need to market whatever it is that you are producing. Or, you may become an expert in marketing, sizing up the market correctly and selling at the high most years. Or you may become an expert in managing or administering your farm

Farming is a business. It is also a way of life. Manage your business following the ABCs of farming and you will not only be successful in your business but it will ease your life.

Stop by your local [FSA office](#) for questions about financing from the Farm Service Agency.

FSA to Announce Another Vacancy Soon

On June 4, 2015, the Farm Service Agency will advertise a County Operations Trainee (COT) vacancy in Washington state. The vacancy will be posted on the USAJobs website www.usajobs.gov.

FSA develops new local leaders through a one-year training program. Emphasis is placed on acquiring an in-depth knowledge of FSA programs administered at the county level. A combination of classroom-type training, hands-on experience and formal management training prepare the COT to step into the managerial role of County Executive Director.

Successful candidates for COT positions possess leadership and supervisory skills and are willing to learn. FSA is looking for qualified applicants who are interested in living in rural communities and assisting farmers and ranchers.

Direct [link](#) to where the vacancy will be posted on USAJobs or contact Mitzi Stephens at mitzi.stephens@wa.usda.gov.

Biomass Crop Assistance Program Restarts

Farmers, ranchers and forest landowners interested in growing and harvesting biomass for renewable energy can once again receive incentives through the Biomass Crop Assistance Program (BCAP), which was reauthorized by the 2014 Farm Bill. BCAP provides financial assistance to establish and maintain new crops of energy biomass, or who harvest and deliver forest or agricultural residues to a qualifying energy facility.

Eligible crops may include corn residue, diseased or insect infested wood materials, or orchard waste. The energy facility must first be approved by USDA to accept the biomass crop. Facilities can currently apply for, or renew, their BCAP qualification status.

Farmers, ranchers and forest landowners can also receive financial assistance to grow biomass crops that will be converted into energy in selected BCAP project areas. New BCAP project area proposals will be solicited beginning this summer and accepted through fall 2015, with new project area announcements and enrollments taking place in early spring 2016. Contact your local [FSA office](#) for more information.

USDA Makes Funds Available for Food Entrepreneurs and Agricultural Producers to Develop New Products

USDA is making \$30 million available to farmers, ranchers and food entrepreneurs to develop new product lines. Funding will be made available through the [Value-Added Producer Grant \(VAPG\)](#) program.

More information on how to apply is on page 26528 of the May 8 [Federal Register](#). The deadline to submit paper applications is **July 7**. Applications submitted through grants.gov are due **July 2**.

You can find the planning grant or working capital grant templates on the Value Added Producer Grant [website](#) along with other useful information. The amount of grant funding for working capital grants has increased from last year to \$250,000 maximum grant awards.

If you have questions regarding this grant opportunity, contact: Veronica Baer, USDA Rural Development at 509.454.5743 Ext 134 or veronica.baer@wa.usda.gov; or Greg York, USDA Rural Development at 360-704-7729 or gregory.york@wa.usda.gov.

Important Dates and Deadlines

- **Early June through summer 2015** – Sign ARC and PLC contracts for 2014 and 2015 crop years
- **Aug. 3** - Deadline to submit nominations for county committee elections
- **July 1 to Sept. 30** - MPP-Dairy enrollment

Crop Acreage Reporting Dates for 2015 Crop Year

- **December 15, 2014** - Fall-seeded crops
- **January 15, 2015** - Perennial fruit, berries and grapes
- **July 15, 2015** - Spring-seeded crops, CRP, NAP covered crops

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).