

August 2015



Having trouble viewing this email? [View it as a Web page.](#)

- [Disaster Program Maps Available](#)
- [New CRP Initiative Preserves Grasslands](#)
- [Non-Insurable Crop Coverage Available](#)
- [Reporting Losses for Hand-Harvested Crops](#)
- [Farm Land Transition Incentives Offered through CRP](#)
- [Producers to Choose Annual Coverage through the MPP Dairy Program](#)
- [Financial Success Starts with Record Keeping](#)
- [Guaranteed Loans Expand Agricultural Credit Options](#)
- [If You Haven't Enrolled, You're Not Done with ARC/PLC](#)
- [Farmers to Receive Documentation of USDA Services](#)
- [Important Dates and Deadlines](#)

## Washington FSA Newsletter

### Washington Farm Service Agency

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

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

### Disaster Program Maps Available

As the drought wears on throughout the state, various disaster relief programs are triggered for more counties. The Farm Service Agency in Washington state has posted, on the agency's website, maps showing where programs are being implemented. The maps may be found at [www.fsa.usda.gov/wa](http://www.fsa.usda.gov/wa). Maps include: counties eligible for CRP Emergency Haying and Grazing, counties eligible for Emergency Loans and counties eligible for the Livestock Forage Program. Check the website if you are unsure whether a program is available in your county or contact your local [FSA office](#).

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.

## **New CRP Initiative Preserves Grasslands**

Beginning September 1, farmers and ranchers can apply for financial assistance to help conserve working grasslands, rangeland and pastureland while maintaining the areas as livestock grazing lands.

The initiative is part of the voluntary Conservation Reserve Program (CRP), a federally funded program that for 30 years has assisted agricultural producers with the cost of restoring, enhancing and protecting certain grasses, shrubs and trees to improve water quality, prevent soil erosion and reduce loss of wildlife habitat. In return, the U.S. Department of Agriculture (USDA) pays participants rental and cost-share payments.

The CRP-Grasslands initiative will provide participants who establish long-term, resource-conserving covers with annual rental payments up to 75 percent of the grazing value of the land. Cost-share assistance also is available for up to 50 percent of establishing vegetative covers and other practices, such as cross fencing to support rotational grazing or improving pasture cover to benefit pollinators or other wildlife. Participants may still conduct common grazing practices, produce hay, mow, or harvest for seed production, conduct fire rehabilitation, and construct firebreaks and fences.

Starting September 1, the Farm Service Agency will accept applications on an ongoing basis. Applications will be scored against published ranking criteria and approved based on the competitiveness of the offer. The ranking period will occur at least once per year and be announced at least 30 days prior to its start. The end of the first ranking period will be Nov. 20, 2015.

---

## **Non-Insurable Crop Coverage Available**

### **NAP Application for 2016 Crop Year**

FSA reminds producers that purchasing Non-insured Crop Disaster Assistance Program (NAP) coverage is an available tool to help mitigate financial risk if a crop is damaged, lost or prevented from being planted due to natural weather related disaster conditions. NAP coverage is for crops not insurable through your crop insurance agent.

NAP provides catastrophic level (CAT) of coverage for losses that exceed 50 percent of the expected yield at 55 percent of the average market price for the crop; as well as additional buy-up levels of coverage ranging from 50 to 65 percent of production. Buy-up levels are in 5 percent increments at 100 percent of the average market price. You can request organic or direct market price options, if available and applicable, and a historical marketing percentage option for multiple marketed crops. Buy-up coverage will include a cost for the premium in addition to the administrative fee. Beginning, limited resource, and traditionally underserved farmers can request a waiver of the service fee and a 50 percent premium cost reduction.

To apply for NAP, you must submit an application for coverage and pay the administrative fee by the application closing deadline for the crop. The NAP administrative fee is \$250 per crop, up to a \$750 cap per county. The maximum fee for multiple crops in multiple counties is \$1,875 per crop year. Producers who select buy-up coverage will be billed for the premium amount due, which is based on 5.25 percent of the coverage value based on the level of coverage selected for your share of the acres planted to the covered crop. An online NAP premium calculator is available to help you determine what level of coverage will work best for you and what the associated premium cost will be. The NAP premium calculator can be accessed by clicking on the link: <http://fsa.usapas.com/NAP.aspx>

To be eligible for NAP benefits, production loss must be attributed to an approved weather related disaster condition. Losses must be reported to FSA within 15 days after the adverse weather event or when the loss becomes evident. For hand harvested crops, producers must report the loss within 72 hours of when the damage or loss first becomes apparent. You may receive a NAP payment if all eligibility requirements have been met and the crop suffers a loss exceeding the level of coverage selected due to weather related damages.

Some of the basic eligibility requirements for NAP benefits include annual reporting of crop acreages; timely reporting damage, loss or prevented planting as it occurs; 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 coverage for the 2016 crop year should be purchased at least 30 days before the crop is planted, but no later than the established NAP application for coverage closing date listed as follows:

8/31/15 – Aquaculture; beets (for stecklings); cabbage (for seed or fresh); canola; carrots (for seed); cauliflower (for seed or fresh); Christmas trees; floriculture; mushrooms; onions (for seed, fresh or processing); rapeseed; rutabaga (for seed or fresh); turf grass sod; turnips (for seed or fresh); and any other fall planted crops not mentioned in other closing dates.

9/30/15 – Garlic; mint; perennial grazing, forage, mixed forage and forage seed crops; wheat.

11/20/15 – All perennial crops not listed under the 9/30 category; asparagus; berries; grapes; honey; hops; tree fruits and nuts.

3/15/16 – Artichokes, beets (for seed or fresh); buckwheat; camelina; carrots (for fresh or processing); mustard; radish (for seed or fresh); small grain forages (wheat, barley, oats, peas); and any other spring planted crops not mentioned in other closing dates.

NAP closing dates are also posted on the FSA website [www.fsa.usda.gov/wa](http://www.fsa.usda.gov/wa). Contact your local [county office](#) if you are interested in applying for NAP coverage, or if you have any questions regarding NAP availability or application closing dates.

---

## Reporting Losses for Hand-Harvested Crops

For hand-harvested Non-insured Crop Disaster Assistance Program (NAP) covered crops, at least one person having a share in the crop must notify your local FSA county office of damage or loss within 72 hours of when the damage or loss first becomes apparent. You should provide the following information: producer name, unit affected, crop affected, apparent date of the loss, cause of loss, what will be done with the damaged crop, and what has been done with the damaged crop.

Notification can initially be made to the county office by email, fax, or phone. However, a CCC-576 Part B "Notice of Loss" form must be submitted within 15 calendar days from when the damage occurred. Failure to timely notify FSA of the loss may adversely affect eligibility for NAP benefits if the loss exceeds the level of coverage selected.

If damage is extensive and you decide the crop will not be taken to harvest, include this decision in your notification so a loss adjuster can be scheduled to conduct a field visit before the crop deteriorates further. Contact your local [county office](#) for more information.

---

## Farm Land Transition Incentives Offered through CRP

The Transition Incentives Program (TIP) assists with the transition of expiring Conservation Reserve Program (CRP) land from a retired or retiring owner or operator to a beginning, veteran, or socially disadvantaged farmer or rancher to return land to production for sustainable grazing or crop production.

Retired or retiring owners or operators participating in TIP may receive up to two additional annual rental payments after your CRP contract expires provided the beginning or socially disadvantaged farmer or rancher is not a family member.

The 2014 Farm Bill authorized \$33 million for fiscal years 2014 through 2018 for the Transition Incentives Program (TIP). TIP funding will be awarded on a first-come, first-served basis. Enrollment in TIP is on a continuous basis until the total funds authorized for the program are exhausted. Beginning (including veteran) and socially disadvantaged producers or retired and retiring CRP participants may apply. The Farm Service Agency is accepting applications for land in contracts expiring September 30, 2015.

FSA has a national [website section](#) to connect retired or retiring land owners or operators with beginning or socially disadvantaged farmers or ranchers who are interested in the Transition Incentives Program (TIP). The section is [CRP TIP-Net](#).

---

## Producers to Choose Annual Coverage through the MPP Dairy Program

Since July 1, 2015, dairy operations could select their 2016 calendar year level of coverage. MPP-Dairy offers different levels of coverage for dairy operations to choose from each year. The basic coverage level of \$4.00 per hundredweight on 90 percent of the dairy operation's production history is available for the \$100 annual administrative fee. Dairy operations have the option to choose a higher level of coverage by paying the administrative fee plus a premium based on level of coverage selected. The higher levels of coverage range between \$4.00 and \$8.00 per hundredweight in \$0.50 increments. If you choose the premium option, you may select to cover a percentage of your

production history, ranging from 25 to 90 percent, in 5 percent increments.

A web-based decision tool is available to help dairy operations compare options and decide what level of coverage will provide the best coverage to manage your financial risk associated with low milk prices or high feed costs that may occur during the 2016 calendar year. The decision tool can be found at [www.fsa.usda.gov/mpptool](http://www.fsa.usda.gov/mpptool). The web-based tool allows you to quickly and easily combine unique operation data and other key variables to calculate your coverage needs based on price projections. You may also review historical data or estimate future coverage based on data projections. The secure site can be accessed via computer, smartphone, tablet or any other platform, 24 hours a day, seven days a week.

You may submit your 2016 coverage election and pay the \$100 annual administrative fee to the local county FSA office before close of business on September 30, 2015. Contact your FSA [county office](#) for more information about MPP-Dairy or the web-based decision tool.

---

## Financial Success Starts with Record Keeping

Farmers and ranchers have many priorities to juggle throughout the year. If you are receiving financing, one of the most important keys to success is record keeping. This must be done throughout the year, including through these busier times.

Record keeping should include a detailed breakdown of all inflows and outflows. Some of the inflows may include production records, income, program payments, other farm income, non-farm income and capital sales (sale of equipment or real estate). Outflows that should be tracked and recorded are all annual operating expenses, living expenses and personal debt payments, loan advances and/or debt repayment, as well as capital expenses (buying equipment, real estate, etc.). A capital sale or expense is a non-annual type inflow or outflow (This may include the purchase of a tractor, other farm equipment, overhauling equipment, and real estate improvement or purchases or inflows from those sources).

Record keeping is crucial because it provides your lender necessary information, but more importantly provides you with information such as what your overall expenses are, and your break-even point. Again, it also helps when prepping for applying for loans as well as preparing for your tax season.

---

## Guaranteed Loans Expand Agricultural Credit Options

FSA guaranteed loans allow lenders to provide agricultural credit to farmers who do not meet the lender's normal underwriting criteria. You may apply for a guaranteed loan through a commercial lender, and the lender arranges for the guarantee. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. Guaranteed loans can be used for both farm ownership and operating purposes.

Guaranteed farm ownership loans can be used to purchase farmland, construct or repair buildings, develop farmland to promote soil and water conservation, or to refinance debt.

Guaranteed operating loans can be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance and other operating expenses.

FSA can guarantee farm ownership and operating loans up to \$1,392,000. Repayment terms vary depending on the type of loan, collateral and your ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your lender or local FSA farm loan [office](#) for more information on guaranteed loans.

---

## If You Haven't Enrolled, You're Not Done with ARC/PLC

All Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) enrollments must be completed by September 30 for both 2014 and 2015 crop years. Enrollment is an additional step after completing ARC/PLC selection and base and yield updates.

ARC-IC farms must have certified yields for benchmark and actual year yields must be reported for 2014 crop year by September 30, 2015. For each year, enrollment needs to reflect the owners and operators on the farm for that year. It is possible that contract participants could differ from 2014 to 2015.

Program enrollment runs through September 30, 2015 at county Farm Service Agency offices. September 30 is also the end of the government's fiscal year so missing the deadline could cause complications for producers who might be expecting a payment. To make an appointment or to learn more, contact your local Farm Service Agency [county office](#).

---

## Farmers to Receive Documentation of USDA Services

Farm Service Agency (FSA) reminds agricultural producers that FSA provides a receipt to customers who request or receive assistance or information on FSA programs. As part of FSA's mission to provide enhanced customer service, producers who visit FSA will receive documentation of services requested and provided. From December through June, FSA issued more than 327,000 electronic receipts.

The 2014 Farm Bill requires a receipt to be issued for any agricultural program assistance requested from FSA, the Natural Resources Conservation Service (NRCS) and Rural Development (RD). Receipts include the date, summary of the visit and any agricultural information, program and/or loan assistance provided to an individual or entity.

In some cases, a form or document – such as a completed and signed program enrollment form – serve as the customer receipt instead of a printed or electronic receipt. A service is any information, program or loan assistance provided whether through a visit, email, fax or letter.

---

## Important Dates and Deadlines

- **Aug. 3** - Deadline to submit nominations for county committee elections
- **Sept. 1** - CRP Grasslands sign-up begins
- **Sept. 30** - Deadline to enroll in MPP-Dairy
- **Sept. 30** – Deadline to sign ARC and PLC contracts for 2014 and 2015 crop years.

---

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).