

March 2017



Farm Service Agency

# GovDelivery Electronic News Service

## NEWSLETTER



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

- [Commodity Loans and Loan Deficiency Payments Deadline](#)
- [Non-Insurable Crop Coverage Available for 2017 Crop Year](#)
- [FSA Accepting Organic Certification Cost-Share Applications](#)
- [Biomass Crop Assistance Program \(BCAP\) Deadline Approaches](#)
- [FSA Credit Provides Bridge to Commercial Financing](#)
- [Operators in Joint Operations Have June 1 Deadline to Report Farm Changes](#)
- [Important Dates and Deadlines](#)

---

## Washington State FSA Newsletter

---

### Washington State Farm Service Agency

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

Phone: 509-323-3000  
Fax: 855-843-1172

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

**State Executive Director:**  
Vacant

**State Committee:**  
Don Olmstead, Jr., Chair  
Larry Dehaan, Member  
Steve Hair, Member  
Jesus Limon, Member

### Commodity Loans and Loan Deficiency Payments Deadline

Time is running out to request a marketing assistance loan (MALs) or loan deficiency payments (LDPs) for your 2016 crop of wheat, barley, oats, honey, canola, flaxseed, rapeseed, sesame seed, and crambe stored in an approved storage facility on the farm or in a warehouse. The deadline to request a loan or LDP for these crops is **March 31, 2017.**

MALs (otherwise known as commodity loans) are a marketing tool that enables you to obtain an influx of cash for operating expenses, using the stored crop as the loan collateral. This allows you to delay sale of your crop until more favorable marketing conditions emerge.

LDPs are a direct payment made in lieu of a commodity loan, and are available when the Commodity Credit Corporation determined value (lesser of the 30 day or 5 day average terminal

Sheryl Hagen-Zakarison,  
Member

To find contact  
information for your local  
office go to  
[www.fsa.usda.gov/wa](http://www.fsa.usda.gov/wa)

market price for the crop adjusted for differentials and market adjustments) falls below the county loan rate. To be eligible for an LDP, you must have form CCC-633EZ Page 1 on file at your local county office before you lose beneficial interest in your crop.

You have until **May 31, 2017** to request a loan or LDP on your 2016 crop of corn, pulse crops (chickpeas, dry peas, lentils), grain sorghum, mustard seed, safflower seed, soybeans, and sunflower seeds.

National and county loan rates can be found [here](#). Daily LDP rates can be found [here](#). To inquire about commodity loans or LDPs, contact your local [county FSA office](#).

---

## Non-Insurable Crop Coverage Available for 2017 Crop Year

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

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, 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 premium cost 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 coverage, submit an application for coverage and pay the administrative fee by the application closing date 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: <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, you 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 weather-related loss exceeding the level of coverage selected. 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, and obtaining a loss adjustor appraisal if the damaged crop will be destroyed, left unharvested, or harvested for a different intended use.

NAP coverage for the 2017 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. To learn more about the NAP program and to obtain coverage, contact your [county FSA office](#).

---

## FSA Accepting Organic Certification Cost-Share Applications

Starting **March 20**, organic producers and handlers will be able to visit Farm Service Agency offices to apply for federal reimbursement to assist with the cost of receiving and maintaining organic or transitional certification. Organic producers and handlers may apply for organic cost-share assistance either by mail or in person.

USDA reimburses organic producers up to 75 percent of the cost of organic certification, but only about half of the nation's organic operations currently participate in the program. USDA is making changes to increase participation in the National Organic Certification Cost-Share Program (NOCCSP) and at the same time provide more opportunities for organic producers to access other USDA programs, such as disaster protection and loans for farms, facilities and marketing.

Any certified producer or handler who has paid organic or transitional certification fees to a [USDA-accredited certifying agent](#) may apply. Application fees, inspection costs, fees related to equivalency

agreement/ arrangement requirements, travel/per diem for inspectors, user fees, sales assessments and postage are all eligible for a cost-share reimbursement from USDA.

Once certified, producers and handlers are eligible to receive reimbursement for up to 75 percent of certification costs each year up to a maximum of \$750 per certification scope—crops, livestock, wild crops and handling. Transitional certification and state organic program fees are included.

The Washington State Department of Agriculture administers a USDA-approved organic certification program. WSDA may also provide cost-share to producers for organic certification costs. FSA will collaborate with WSDA to enhance efforts instead of duplicating efforts.

To learn more about organic certification cost-share, please visit [www.fsa.usda.gov/organic](http://www.fsa.usda.gov/organic) or contact your [county FSA office](#).

---

## **Biomass Crop Assistance Program (BCAP) Deadline Approaches**

The Farm Service Agency is accepting applications from foresters and farmers seeking incentives to remove biomass residues from fields or national forests for delivery to USDA-approved energy generation [facilities](#). The retrieval payments are provided at match of \$1 for \$1, up to \$20 per dry ton. Eligible crops for the Biomass Crop Assistance Program (BCAP) include corn residue, orchard waste or diseased or insect-infested wood materials. The deadline to submit applications is **March 15, 2017**.

To learn more about BCAP or to enroll in updates, visit [www.fsa.usda.gov/bcap](http://www.fsa.usda.gov/bcap) or contact your local [county FSA office](#).

---

## **FSA Credit Provides Bridge to Commercial Financing**

Farm Service Agency (FSA) Farm Loan programs are considered supervised credit. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Therefore, it is our goal to help you graduate to commercial credit and our farm loan staff can help you through training and credit counseling.

The FSA team will help borrowers identify your goals to ensure financial success. Through this process, FSA staff will advise borrowers in developing strategies and a plan to meet your operation's goals and graduate to commercial credit. Ultimately, the borrower is responsible for the success of the farming operation, but FSA's staff will help in an advisory role to provide the tools necessary to help you achieve your operational goals and manage your finances.

As a farmer or rancher, whether you are a beginning farmer or have years of experience, there may be times where you need to borrow money. FSA farm loans are available for those who are unable to obtain credit through your commercial lender. FSA loans are temporary; there are a limited number of years that you are eligible for FSA financing. Our mission is to provide supervised credit to help you as a beginning farmer build equity and collateral, or to provide the bridge back to commercial credit if your farm has suffered through a drought or weather situation, poor commodity prices or most recently falling numbers resulting in a significant drop in net income.

FSA farm loan officers are professional, knowledgeable, and will hold your situation in strictest confidence. We can help you work through the process of financial analysis for your individual situation.

For more information on FSA farm loan programs, visit <https://www.fsa.usda.gov/programs-and-services/farm-loan-programs/index> or contact your local [county FSA office](#).

---

## Operators in Joint Operations Have June 1 Deadline to Report Farm Changes

All joint operations comprised of non-family members need to report any changes and/or revisions to your 2017 farm operating structure to your local FSA office by **June 1, 2017**. Changes need to be submitted in writing by the deadline to ensure program payments. There are no exceptions or extensions.

“Actively engaged” rules impact eligibility for Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs, as well as loan deficiency payments and market loan gains obtained through Marketing Assistance Loans.

The 2014 Farm Bill provided the Secretary of Agriculture with the direction and authority to amend the “Actively Engaged” in farming rules related to management. The final rule established limits on the number of individuals who can qualify as actively engaged using only management. Only one payment limit for management is allowed under the rule, with the ability to request up to two additional qualifying managers operations for large and complex operations. This rule is new for the 2017 crop year.

The revised management contribution rule does not apply to farming operations comprised entirely of family members. Family members are defined as a great grandparent, grandparent, parent, child, including legally adopted children and stepchildren, grandchild, great grandchild, or a spouse or sibling of family members.

The rule also does not change the existing regulations related to contributions of land, capital, equipment or labor, or the existing regulations related to landowners with a risk in the crop or to spouses.

Most non-family joint operations will only be eligible to qualify one member as actively engaged based on their management contributions. They may qualify up to two additional members based on management contributions if the farming operation meets certain size and complexity requirements. The size requirement is based on marketing crops from 2,500 acres of cropland or more. The complexity criteria looks at the number and type of crops and livestock produced, other ag products produced, marketing channels used and the geographical area covered by the operation.

While only a limited number of farming operations are expected to be subject to this limitation on management contributions, you should contact your [county FSA office](#) if you have any questions about whether it applies to you. You can also find more information about payment eligibility and payment limitations at FSA’s online [fact sheet](#).

---

## Important Dates and Deadlines

---

**March 15, 2017** – Deadline for applications for the Biomass Crop Assistance Program (BCAP).

**March 15, 2017** – Deadline to request 2017 NAP coverage for artichokes, beets (seed or fresh), buckwheat, camelina, carrots (for seed or fresh), small grain forages (wheat, barley, oats, peas), and any other spring planted crops not mentioned in other NAP application for coverage closing dates.

**March 20, 2017** – Organic cost-share certification application process begins in FSA offices.

**March 31, 2017** – Final date to request a 2016 crop Marketing Assistance Loan (MAL) for wheat, barley, oats, honey, canola, crambe, flaxseed, rapeseed, and sesame seed.

**May 31, 2017** – Final date to request a 2016 crop Marketing Assistance Loan (MAL) for corn, chickpeas, dry peas, lentils, mustard seed, safflower seed, soybeans, sunflower seed, grain sorghum, and rice.

For previous issues of the FSA Washington newsletter and a list of annual program **reminders**, check the [newsletter page](#) on the FSA Washington website.

USDA is an equal opportunity provider, employer and lender. 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).



STAY CONNECTED:

