August 2020



United States Department of Agriculture



Farm Service Agency Electronic News Service

NEWSLETTER

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Washington State FSA Newsletter

WashingtonState Farm Service Agency

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Unsolicited Seeds from China

USDA's Animal and Plant Health Inspection Service (APHIS) is aware that people across the country have received unsolicited packages of seed from China in recent days. APHIS is working closely with the Department of Homeland Security's Customs and Border Protection and State departments of agriculture to prevent the unlawful entry of prohibited seeds and protect U.S. agriculture from invasive pests and noxious weeds.

Anyone who receives an unsolicited package of seeds from China should immediately contact their <u>State plant regulatory official</u> or <u>APHIS State plant health director</u>. Please hold onto the seeds and packaging, including the mailing label, until someone from your

www.fsa.usda.gov/wa

State Executive Director: Jon Wyss

State Committee:

Katlenia Vejraska, Chair Maureen Harkcom, Member Jesus Limon, Member Robyn Meenach, Member Bruce Nelson, Member

To find contact information for your local office go to <u>www.fsa.usda.gov/wa</u> State department of agriculture or APHIS contacts you with further instructions. Do not plant seeds from unknown origins.

People with questions can also call:

844-820-2234 Monday-Friday - 8:30 a.m. to 5:00 p.m. ET CustomerServiceCallCenter@aphis.usda.gov

USDA Designates Ten Washington Counties as Primary Natural Disaster Areas

Agriculture Secretary Sonny Perdue designated ten Washington counties primary natural disaster area. Producers in Benton, Chelan, Douglas, Franklin, Grant, Kittitas, Klickitat, Okanogan, Walla Walla, and Yakima counties who suffered losses due to recent drought may be eligible for U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) emergency loans.

This natural disaster designation allows FSA to extend muchneeded emergency credit to producers recovering from natural disasters. Emergency loans can be used to meet various recovery needs including the replacement of essential items such as equipment or livestock, reorganization of a farming operation or the refinance of certain debts.

Producers in the contiguous Washington counties of Adams, Clark, Columbia, Ferry, King, Lewis, Lincoln, Pierce, Skagit, Skamania, Snohomish, Whitman and Whatcom, as well as Gilliam, Hood River, Morrow, Sherman, Umatilla, and Wasco counties in Oregon, are also eligible to apply for emergency loans.

The deadline to apply for these emergency loans is Feb. 11, 2021.

FSA will review the loans based on the extent of losses, security available and repayment ability.

FSA has a variety of additional programs to help farmers recover from the impacts of this disaster. FSA programs that do not require a disaster declaration include: Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program; Emergency Conservation Program; Livestock Forage Disaster Program; Livestock Indemnity Program; Operating and Farm Ownership Loans; and the Tree Assistance Program.

Farmers may contact their local USDA service center for further information on eligibility requirements and application procedures for these and other programs. Additional information is also available online at farmers.gov/recover.

One-Time PLC Yield Updates – Deadline September 30

Farm owners have a one-time opportunity to update PLC yields of covered commodities on the farm, regardless of Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC)program election. The deadline to request a PLC yield update is September 30, 2020.

The updated yield will be equal to 90 percent of the average yield per planted acre in crop years 2013-2017 (excluding any year where the applicable covered commodity was not planted), subject to the ratio obtained by dividing the 2008-2012 average national yield by the 2013-2017 average national yield for the covered commodity. If the reported yield in any year is less than 75 percent of the 2013-2017 average county yield, then the yield will be substituted with 75 percent of the county average yield.

The chart below provides the ratio obtained by dividing the 2008-2012 average national yield by the 2013-2017 average national yield for each covered commodity.

Covered Commodity	National Yield Factor
Barley	0.9437
Canola	0.9643
Chickpeas, Large	1.0000
Chickpeas, Small	0.9760
Corn	0.9000
Flaxseed	1.0000
Grain Sorghum	0.9077
Lentils	1.0000
Mustard Seed	0.9460
Oats	0.9524
Peas, Dry	0.9988
Rapeseed	1.0000
Safflower	1.0000
Sesame Seed	0.9673
Soybeans	0.9000

Sunflower Seed	0.9396
Wheat	0.9545

It is the owner's choice whether to update or keep exiting PLC yields. If a yield update is not made, then no action is required to maintain the existing PLC yield. An existing or updated PLC yield will be maintained and effective for crop years 2020 through 2023 (life of the 2018 Farm Bill).

PLC yields may be updated on a covered commodity-by-covered commodity basis using FSA form CCC-867.

For more information, reference resources and decision tools, visit <u>farmers.gov/arc-plc</u>. Contact your local Farm Service Agency Office for assistance – <u>farmers.gov/service-center-locator</u>.

County Producers Have Until Aug. 3 to Submit FSA County Committee Nominations

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) reminds farmers and ranchers that they have until Aug. 3, 2020, to nominate eligible candidates to serve on local FSA county committees. Agricultural producers who participate or cooperate in an FSA program, including the current Coronavirus Food Assistance Program, may be nominated for candidacy for the county committee. Individuals may nominate themselves or others as a candidate.

The Aug. 3 deadline is quickly approaching, if you know of a great candidate or want to nominate yourself to serve on your local county committee, contact your FSA office before the deadline to submit the nomination form. I especially encourage the nomination of beginning farmers and ranchers, as well as women and minorities. This is your opportunity to have a say in how federal programs are delivered in your county.

Nationwide, more than 7,700 dedicated members of the agricultural community serve on FSA county committees. The committees are made of three to 11 members and typically meet once a month. Members serve three-year terms. Producers serving on FSA county committees play a critical role in the day-to-day operations of the agency. To be eligible to serve on an FSA county committee, a person must participate or cooperate in an agency administered program and reside in the LAA where the election is being held. A complete list of eligibility requirements, more information and nomination forms are available at <u>fsa.usda.gov/elections.</u>

To be considered, a producer must sign an <u>FSA-669A</u> nomination form. All nomination forms for the 2020 election must be postmarked or received in the local FSA county office by Aug. 3, 2020. Ballots will be mailed to eligible voters beginning Nov. 2, 2020

NAP Coverage – Consider Protecting 2021 Crops Now

For crops that are not insurable with catastrophic level coverage (CAT) through your crop insurance agent, Non-insured Crop Disaster Assistance Program (NAP) coverage is an available tool to help

mitigate financial risk. NAP covers non-insurable crops damaged, lost or prevented from being planted due to a natural weather-related disaster condition.

There are several coverage level options through this program. NAP provides a catastrophic level (CAT) of coverage for losses that exceed 50 percent of the expected yield at 55 percent of the approved NAP price for the crop. The 2018 Farm Bill reinstated higher levels of coverage, from 50 to 65 percent of expected production in 5 percent increments, at 100 percent of the approved NAP price. Producers who elect a higher level of coverage must "buy-up" and pay a premium in addition to the service fee. Producers with an organic certification can select the organic option when requesting NAP coverage at either CAT or buy-up levels of coverage at 100 percent of the approved organic NAP price. Please note, buy-up coverage is not available for crops intended for grazing.

Premium cost for buy-up coverage on yield-based crops will be calculated based <u>on the lesser of</u> either of the following:

- The applicable payment limitation (\$300,000 for buy-up) X 5.25% premium fee = \$15,750 maximum premium per individual or legal entity
- The sum of acres X APH yield X share X coverage level X NAP price X 5.25% premium fee for each NAP crop with buy-up coverage selected.

NAP payment limitation for basic coverage remains at \$125,000 per individual or legal entity. Beginning, limited resource, and targeted underserved farmers or ranchers remain eligible for a NAP premium reduction.

NAP service fee is \$325 per crop per county, up to \$825 per county, not to exceed \$1,950 per producer with NAP covered crops in multiple counties. A waiver of the NAP service fee is available to beginning, limited resource, and traditionally underserved farmers and ranchers.

NAP coverage for eligible 2021 crops should be purchased at least 30 days before the crop is planted, but no later than the established NAP application for coverage closing date for the crop or crops listed as follows:

August 31, 2020 – 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.

September 30, 2020 – Garlic, mint, and biennial/perennial forages, mixed forages and grasses for hay, seed, or grazing.

November 20, 2020 – Asparagus, berries, grapes, honey, hops, tree fruits, nuts, and other perennial crops not listed under the 9/30 category.

March 15, 2020 – Artichokes, beets (for seed or fresh), buckwheat, camelina, carrots (for fresh or processing), mustard, radish (for seed or fresh), small grain forage (wheat, barley, oats, peas), and any other spring planted crops not mentioned in other closing dates.

NAP application for coverage deadlines are also posted on the FSA website <u>www.fsa.usda.gov/wa</u>. Contact your local county FSA office if you are interested in applying for NAP coverage, or if you have any questions regarding NAP availability or application closing dates.

Report Damage or Loss of NAP Covered Crops Immediately

Hailstorms, excessive rain, drought – untimely weather events can be unpredictable and harmful to crops. If weather events cause damage to or loss of your NAP covered crops, remember that you must report this to your local FSA county office timely in order to be eligible for a NAP benefit.

NAP notices of loss can be initiated by phone, email, or fax, but must be submitted in writing, to your local FSA county office for weather related events or adverse natural occurrences that cause damage to or loss of the NAP covered crop. To report crop damage or loss you must complete, sign, and file the loss portion of form CCC-576 with your FSA office by the <u>earlier</u> of either of the following:

- **15 calendar days** after the disaster occurrence or date of loss or damage to the crop or commodity first becomes apparent or
- 15 calendar days after the normal harvest date.

Producers of hand-harvested crops and crops that rapidly deteriorate must notify FSA **within 72 hours** of when a loss becomes apparent in order to be considered timely.

If the loss event is approved, remember to provide your crop production to your local FSA county office within 60 days after harvest or, if the crop won't be harvested, request an appraisal immediately so that the payment portion of form CCC-576 can be filed timely. When you determine that the crop will be destroyed, abandoned, or not taken to harvest as intended, you must report this to your local FSA office so a field visit can be conducted by a certified loss adjuster. Once the crop appraisal has been completed, the loss adjuster will release the field and you can destroy the covered crop acres and replant to a different crop or harvest the acres for a different use.

Remember, failure to timely notify your FSA county office of NAP covered crop damage or loss will result in denial of NAP payment benefits. Destroying NAP covered crop acres or harvesting for a different use without a loss adjuster appraisal will result in those acres being determined ineligible for NAP payment benefits.

If you have any questions about NAP policy requirements, contact your <u>local county FSA office</u> for more information.

Marketing Assistance Loans, Loan Deficiency Payments, and Certificates Available

With the start of 2020 crop harvest, keep in mind that FSA Marketing Assistance Loans are available for harvested commodities. A loan can provide you with interim financing to meet cash flow needs without selling your harvested crop at a time when market prices are at harvest-time lows. Your 2020 harvested farm-stored or warehouse-stored commodity is used as collateral for the loan. Marketing Assistance Loans typically mature 9 months after the month loan funds are disbursed to you, with repayment due at loan maturity. Before moving farm-stored loan collateral, you must contact the county FSA office and obtain an authorization to move the collateral. Producers who have a commodity pledged as collateral for a marketing assistance loan can purchase a commodity certificate that can be immediately exchanged for the outstanding loan

collateral in situations when the loan rate exceeds the exchange rate. Producers who are eligible for marketing assistance loans can obtain a loan deficiency payments (LDPs) in lieu of a loan. LDP's are available when the posted county price for a crop falls below the county loan rate. You can check the daily LDP rates online at https://www.fsa.usda.gov/programs-and-services/price-support/Index.

For a commodity to be eligible for a loan, loan deficiency payment, or certificate, you must have beneficial interest in the commodity which is defined as having title, possession, and control of the commodity. The quality of stored collateral must be maintained, and you are responsible for loss or damage to the commodity through the term of the loan. To retain eligibility for an LDP when beneficial interest in your harvested crop will be lost upon delivery, you must file form CCC-633 EZ Page 1 with your local FSA office prior to loss of beneficial interest.

Marketing assistance loans or loan deficiency payments are available for wheat, barley, oats, corn, dry peas, lentils, small chickpeas, large chickpeas, grain sorghum, soybeans, sunflower seed, rapeseed, canola, safflower seed, flaxseed, mustard seed, crambe, sesame seed, graded and non-graded wool, mohair, and honey. Unshorn pelts are available for an LDP only. You are interested, please contact your local FSA county office to learn more about Marketing Assistance Loans, LDPs, and Certificates.

2020 Wool Triggers Loan Deficiency Payments

Wool producers may be eligible for Loan Deficiency Payments (LDP) through the Farm Service Agency. LDPs are direct payments made in lieu of a marketing assistance loan when the Commodity Credit Corporation determined value, based on the current local price, is below the applicable loan rate. For wool, the local prices and loan rates are set at a national level. The payment is the difference between the price and loan rate times the eligible quantity. Wool LDP rates are updated on a weekly basis and can be found online <u>here</u>.

For a commodity to be eligible for an LDP, the producer must have beneficial interest in the commodity, defined as having title, possession, and control of the commodity, and responsible for loss of or damage to the commodity. All related application forms must be completed at the local FSA office prior to loss of beneficial interest. Additional eligibility requirements must be met before an LDP payment can be paid. This includes a 2020 FSA-578 acreage report for all crop acres, a CCC-941 Adjusted Gross Income Certification, a CCC-902 Farm Operating Plan, an AD-1026 Highly Erodible Land and Wetland Certification, and a direct deposit form or waiver.

In order to request an LDP for wool, producers must complete a CCC-633 EZ Loan Deficiency Payment Agreement and Request form. Page 1 is the agreement which signifies an intent to request an LDP and must be completed before a producer loses beneficial interest of the eligible commodity. Page 4 is the wool request for LDP benefits and must be submitted after page 1 is completed. Once signed and approved, page 4 cannot be cancelled and payments cannot be deferred. Payments are processed after page 4 has been submitted and approved.

For more information on LDPs, visit <u>https://www.fsa.usda.gov/programs-and-services/price-support/Index</u> or visit your local FSA office. To locate your local FSA office, visit <u>https://www.farmers.gov/service-center-locator</u>.

2021 DMC Signup to Begin October 12

Washington State dairy operators should mark their calendars. FSA has announced that Dairy Margin Coverage (DMC) safety-net signup for 2021 coverage will **begin October 12 and will run through December 11, 2020**. DMC has already triggered payments for three months for producers who signed up for 2020 coverage. As October approaches, be prepared to call your local FSA office for an appointment to sign up for 2021 DMC.

The May 2020 income over feed cost margin was \$5.37 per hundredweight (cwt.), triggering the third payment of 2020 for dairy producers who purchased the appropriate level of coverage under the <u>Dairy Margin Coverage</u> (DMC) program. To date, FSA has issued more than \$176 million in program benefits to dairy producers who purchased DMC coverage for 2020.

Authorized by the 2018 Farm Bill, DMC is a voluntary risk management program that offers protection to dairy producers when the difference between the all-milk price and the average feed price (the margin) falls below a certain dollar amount selected by the producer. Over 13,000 operations enrolled in the program for the 2020 calendar year.

All USDA Service Centers are open for business, including some that are open to visitors to conduct business in person by appointment only. All Service Center visitors wishing to conduct business with the Farm Service Agency, Natural Resources Conservation Service, or any other Service Center agency should call ahead and schedule an appointment. Service Centers that are open for appointments will pre-screen visitors based on health concerns or recent travel and visitors must adhere to social distancing guidelines. Visitors may also be required to wear a face covering during their appointment. Field work will continue with appropriate social distancing. Our program delivery staff will be in the office, and they will be working with our producers in office, by phone, and using online tools. More information can be found at farmers.gov/coronavirus.

For more information, visit <u>farmers.gov DMC webpage</u> or contact your local USDA service center. To locate your local FSA office, visit <u>farmers.gov/service-center-locator</u>.

More Crops Added to the Coronavirus Food Assistance Program (CFAP)

The original announcement of CFAP included an opportunity for producers, grower organizations and others to submit comments on crops they felt were significantly impacted by the coronavirus pandemic. It was also an opportunity to submit comments for specialty crops that were deemed eligible originally, but not in all categories. Recently FSA announced the first batch of decisions from the comments submitted.

The first change was to make several crops that were included originally eligible for "Bucket 1" payments. These payments are based on sales January 15-April 15. To qualify, the crops must have suffered at least a 5% price decline between mid-January and mid-April nationwide. Crops that are now eligible for these payments includes apples, blueberries, potatoes (fresh-Russet, fresh-other, processed, seed), raspberries. Individual producers do not need to meet this 5% threshold.

In addition, 42 additional specialty crops were made eligible for 2 or 3 of the CFAP payment categories for these crops. Most of these crops are fresh vegetables, various greens and herbs. They also include blackberries and mint. A complete list of eligible specialty crops and their payment rates can be found <u>here</u>.

Specialty crops qualify for up to 3 payment categories or "buckets." The first is based on sales Jan 15-Apr 15. The sale must have occurred during this period, but not necessarily the delivery or payment. The second payment is for produce that was shipped off the farm and payment was not received Jan 15-Apr 15 and no payment will ever be received. This can include such things a production shipped to a warehouse or processor where it spoiled due to disruptions in the marketplace. The third payment is for produce that was not shipped off the farm and no payment will be received. This could be production that was stored on the farm and spoiled due to market disruptions. Produce that was donated without any payment to the grower can also be included in this category if the donation occurred Jan 15-Apr 15. In general, the produce must have been sold, spoiled, disposed of, destroyed or donated Jan 15-Apr 15 to qualify.

In addition to the specialty crops, certain non-specialty crops (barley {malting only}, canola, corn, millet, oats, soybeans, sorghum, sunflowers, wheat {durum and hard red spring only}), wool, livestock (cattle, hogs, and sheep {lambs and yearlings only}) and dairy (milk) are also eligible.

Non-specialty crop and wool benefits are based on their unsold production held on January 15, not to exceed 50% of their total 2019 production. Livestock benefits are based on Jan15-Apr 15 sales plus the highest inventory held during Apr 16-May 14. Dairy benefits are paid for milk marketed or dumped Jan 15-Apr 15.

In most cases the eligible crop or livestock must have had "price risk" on January 15. Price risk means the commodity was not subject to an agreed-upon price through a forward contract, agreement or similar binding document.

CFAP payments being issued today are based on 80% of the calculated benefit. This is being done to ensure sufficient funds are available to cover all eligible commodities and producers. If it is later determined there are sufficient funds, the remain 20% will be issued by FSA. No additional action by the producer will be required.

There are several eligibility forms that must be filed in addition to the actual application to qualify for benefits. If you do not file these documents along with the application, you can submit them within 60 days of submitting the application. Failure to file them within 60 days may reduce or eliminate your CFAP benefits.

To apply for CFAP, producers can simply certify their eligible production. But certifications will be subject to spot check. If you are selected for spot check you will be required to provide documentation to support your certified production, potentially including records showing sold, disposed of, destroyed or donated during Jan 15-Apr 15, and records of any sales agreements in place on January 15.

August 28 is the last day submit an application for CFAP. You can do this by calling your local <u>county office</u> to make arrangements. Or you can call the CFAP Call Center at 877-508-8364.

CRP Emergency Haying and Grazing Now Approved in 10 Counties

Due to drought conditions, CRP emergency haying and grazing is now authorized in Adams, Benton, Chelan, Douglas, Franklin, Grant, Kittitas, Klickitat, Walla Walla, and Yakima counties. Eligible participants can take one cutting of hay off half their contract acreage or graze the land for up to 90 days. CRP payments are not reduced for this use. Interested producers must obtain a haying/grazing plan from NRCS before FSA can approve the use. Haying or grazing is not permitted within 20 feet of water and you must prevent damage to the CRP cover or restore it if there is damage. No cost sharing is available for such things as fence or livestock water. Hay harvested under this approval cannot be sold, but the haying or grazing rights can be leased to another producer. Contact your local office to apply.

Inspect Your CRP this Summer

Under the 2018 farm bill, significantly more CRP contracts are going to receive an on-the-ground inspection. If the CRP cover is not being maintained, or weeds are not being controlled, you run the risk that your payments will be reduced substantially or potentially the contract could even be terminated and full refunds required. In addition, if you choose to re-enroll the land when the current contract expires, and you have not maintained the cover, you could be required to replant the cover without cost share assistance. The intent of these new rules is to ensure producers are meeting their contract obligations to establish and maintain the cover, and to control weeds, <u>throughout the life of the contract</u>. Don't be surprised by an FSA or NRCS visit. Be sure to inspect your CRP periodically and take corrective actions when needed. If you have question about what to do contact FSA or NRCS for more information.

The Farm Service Agency is Hiring

Farm Service Agency is seeking qualified applicants interested in a full time program technician position which will be headquartered in Ritzville. The application period opens **August 4, 2020** and the closing date is **August 18, 2020**.

The agency is looking for qualified applicants who are interested in living in rural communities and assisting farmers and ranchers. Vacancies with FSA are posted on the USAJobs website <u>www.usajobs.gov</u> under job announcement number: FSACO-10873890-20-WA-AS. Please contact Mitzi Stephens at the FSA State Office at <u>mitzi.stephens@wa.usda.gov</u> or (509) 323-3007 with any questions.

The following video will allow interested parties to hear employees talk about what it is like to work for FSA in Washington state: <u>https://vimeo.com/182866334</u>

Important Dates and Deadlines

August 3, 2020 – County Committee election nomination forms due.

August 21, **2020** – Deadline to submit completed and signed offers to re-enroll land in continuous CRP and CREP.

August 28, 2020 – Deadline to apply for CFAP.

August 31, 2020 – Deadline to obtain 2021 crop year NAP coverage for 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.

September 7, 2020 - Labor Day. USDA service centers will be closed.

September 30, 2020 – Deadline to obtain 2021 crop year NAP coverage for garlic, mint, biennial/perennial forages and mixed forages for hay, seed, or grazing.

September 30, 2020 – Deadline to complete one-time option to update PLC yields on farms. Updated yields take effect beginning with the 2020 crop year.

October 12, 2020 – Columbus Day. USDA service centers will be closed.

October 12 – December 11, 2020 – Signup period for 2021 Dairy Margin Coverage (DMC) enrollment.

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).