



NEWSLETTER



August, 2012

Franklin County FSA

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Office Hours

Mon.-Fri. - 8:00 AM – 4:30 PM

County Committee

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Terri Hayles – Vice Chairperson
Scott Knight – Member

Farm Program Staff

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FSA Web sites:

State:
<http://www.fsa.usda.gov/wa>
National:
<http://www.fsa.usda.gov>

Dates to Remember

- **August 21-25** – See you at the Benton/Franklin Fair (Livestock Sale Ring Area).
- **September 3** – Service Center closed for Labor Day.
- **September 13** – County Committee Meeting – 9:00 am
- **September 30** –
 - Return deadline for all 2012 new offer /re-enrollment CRP contract forms and signatures.
 - New CRP initiatives sign-up deadline (see pg. 2)
 - Emergency CRP Grazing Deadline

CROP MARKETING TOOLS AVAILABLE

FSA offers 9-month marketing assistance loans, using the harvested commodity as collateral. Obtaining a loan enables a producer to extend their marketing season by allowing them to hold the commodity beyond harvest when prices are usually lowest. The collateralized commodity may be stored on the farm or in CCC licensed warehouses. Farm storage must be safe and available for FSA inspection at any time. If all eligibility criteria and application requirements are met, loans can generally be disbursed in less than a week (delays usually attributable to lien search results).

The following crops are eligible for commodity loans or LDPs (see LDP's below): barley, oats, wheat, corn, grain sorghum, soybeans, canola (and other oilseeds), dry peas, lentils and large and small chickpeas. Honey and wool are also eligible. Unshorn pelts are eligible for LDP only.

Final availability dates for loans and LDP's are January 31 for wool and unshorn pelts; March 31 for barley, canola, crambe, flaxseed, honey, oats, rapeseed, wheat and sesame seed; May 31 for corn, dry peas, lentils, and all other eligible oilseeds. The August loan interest rate is 1.250%.

2012 Basic Crop Loan Rates for Franklin County:

Durum Wheat = \$2.64/bu. HRS Wheat = \$3.32/bu.
HRW Wheat = \$3.50/bu. SWSW Wheat = \$3.11/bu.
Field Corn = \$2.31/bu. Barley = \$2.23/bu.

Other eligible crop loan rates and general loan and LDP information can be found by clicking on this link: [FSA Loans/LDP's](#).

Producers who obtain a marketing assistance loan agree to loan provisions. Violating provisions may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans. The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity of the available loan commodity.

Producers may choose a Loan Deficiency Payment (LDP) in lieu of a loan. The LDP payment amount is determined by comparing the posted county price (PCP) for a commodity to the county loan rate for that commodity in the county. If the PCP is less than the county loan rate, the producer may file for a payment of the difference between the two prices on the date of application, or the date beneficial interest is lost. Producers must have beneficial interest when applying for an LDP.

CONTINUOUS CRP ADDS THREE NEW PRACTICE INITIATIVES

New changes to the Conservation Reserve Program (CRP) will make it easier to enroll land meeting certain criteria into the program on a non-competitive basis. However, signup under these new initiatives ends **September 30, 2012**.

The Highly Erodible Land initiative allows producers to non-competitively enter land with an Erosion Index of 20 or greater into CRP. An Erosion Index (EI) of 20 means, on average, this land has the potential to erode at 20 tons of soil per acre per year. Producers may sign a CRP contract with the FSA at any time under this new provision and not have to wait for a general signup period. The agency is authorized to accept up to 10,300 acres with an EI of 20 in Washington.

Other changes include a new practice emphasizing a mix of plants that flower throughout the growing season for pollinators, and 20 to 120-foot wide field borders for upland birds. Land bid into CRP for pollinator habitat must be at least 20 feet in width and individual plantings must be a minimum of 0.5 acres. There are no maximum limits on width or contract size. Field borders must generally be implemented around an entire field, but at a minimum they must be installed where runoff enters or leaves the field.

For all three initiatives, eligible land must have been planted to an annual crop or conserving use in at least four years between 2002 and 2007. Land currently in CRP and within one year of the contract expiration date may be enrolled under the new initiatives. Leaving the most highly erodible soils in CRP and farming the rest of the land may be an option for some producers with expiring CRP contracts.

Contracts involve planting specified mixtures of grasses and forbs and maintaining them for ten years. In general, no other income, besides the rental rates, can be derived from the land while under contract. Rental rates are based on the relative productivity of the soils within each county and the average dryland cash rent or cash rent equivalent.

All practices are eligible for 50% cost sharing to install the cover. Enrollment of land for pollinator habitat or field borders is eligible for a 40% practice incentive payment (like cost shares) and a \$150 per acre signing incentive payment (SIP). The Highly Erodible Land initiative does not include additional payments beyond the annual rental payments and the cost-share to establish the vegetative cover.

Please contact our office if you have any questions on these newly announced initiatives.

EMERGENCY HAYING AND GRAZING OF CRP AVAILABLE FOR A LIMITED TIME

In response to wide spread drought conditions and livestock feed needs, the Secretary opened additional acres under CRP to be used for haying or grazing under emergency conditions. Emergency haying and grazing of CRP has been authorized in Washington for Adams, Benton, Douglas, Franklin, Grant, Kittitas and Yakima counties.

Producers must file an application with their local FSA office prior to conducting any haying or grazing activity. Under these provisions, haying and grazing may begin now but haying may not exceed August 31, 2012, and grazing may not exceed September 30, 2012. A 10 percent payment reduction will apply to CRP acres that are hayed or grazed under this specific emergency provision and all parties to the contract must agree to the practice. The same CRP acreage cannot be both hayed and/or grazed at the same time. For example, if 50 percent of a field or contiguous field is hayed, the remaining unhayed 50 percent cannot be grazed; it must remain unhayed and ungrazed for wildlife habitat purposes.

Contact our office prior to haying or grazing of any CRP (whether under emergency or managed provisions).

DEADLINES FOR NON-INSURED CROP DISASTER ASSISTANCE PROGRAM

The application closing date to purchase coverage for the 2013 crop year for fall planted crops under the Non-insured Crop Disaster Assistance Program (NAP) is as follows:

Crops	Application Closing Date
Canola and rapeseed; onions, radish, carrots, and cabbage (for seed or fresh); value loss crops (aquaculture, Christmas Trees, turf grass sod, floriculture, mushrooms); artichokes and any fall planted crops not mentioned below.	August 31
Perennial grazing crops; perennial forage crops; forage seed crops; mint; wheat; garlic.	September 30
All perennial crops not listed in the 9/30 category (berries, fruit trees, grapes, asparagus); honey; hops.	November 20

To apply for NAP coverage, the application must be filed on or before the application closing date for the crop and NAP fees must be paid. The coverage fee is \$250 per crop, up to a \$750 cap per county and the maximum for multiple crops in more than one county is \$1,875 per crop year. In return, the crop is covered from catastrophic loss of production or prevented planting due to natural disaster conditions. Those producers who bought coverage last year (if not already) will soon receive crop specific continuous coverage letters with instructions for fee payment for the 2013 crop coverage year.

To be eligible for NAP benefits, production loss must be attributed to adverse weather conditions. Losses must be reported to FSA within 15 days after the adverse weather event or when the loss becomes evident. You may receive a payment if all eligibility requirements have been met and the crop suffers greater than a 50% production loss for weather related damages.

Some of the basic eligibility requirements include annual reporting of crop acreages, providing actual production evidence on a yearly basis, obtaining a loss adjustor appraisal if the damaged crop will be destroyed or left unharvested. Contact our office if you would like more information or are interested in applying for NAP coverage.

Federal Crop Insurance sales closing deadlines (for county eligible crops) closely follow the dates in the table above; however, contact your FCIC agent for actual crop specific sales closing deadlines.

UPCOMING CHANGES TO CROP ACREAGE REPORTING DATES

Implementation of common acreage reporting dates is a major step by the Risk Management Agency (RMA) and Farm Service Agency (FSA) to reduce the duplication of acreage reporting by producers. This change does not reduce or modify the programs or services that RMA or FSA provides, but will enable crop insurance agents and FSA office staff to collect information in a more uniform and efficient manner. Washington producers will begin to work with these changes beginning with the 2013 crop year. Please consult the table for new reporting dates.

Crops Planned for 2013 Harvest	Reporting Date
Fall Alfalfa Seed, Barley, Canola, Mint, Onions (planted 8/15-9/15), Wheat and all other fall seeded small grains.	December 15, 2012
Apples, Blueberries, Cherries, Cranberries, Fresh Apricots, Fresh Freestone Peaches Fresh Nectarines, Grapes, Pears and Plums.	January 15, 2013
Spring Alfalfa Seed, Spring Barley, Cabbage(planted 4/21-6/10), Spring Canola Corn, Dry Beans, Dry Peas (planted 3/9-5/25), Green Peas, Spring Mint, Mustard, Spring Oats, Onions(planted 3/14-4/20), Potatoes, Processing Beans, Soybeans Sugar Beets, Sweet Corn and Spring Wheat.	July 15, 2013
All Other Crops not listed above (including CRP).	July 15, 2013

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Reporting acreage timely is a requirement for most FSA programs. If harvest or grazing will occur before the established reporting date, producers must report acreage prior to harvest or grazing begins. In addition, crops planted after the established reporting dates can report timely by amending the previous acreage report within 15 days after planting.

Note for 2012 Late-Filed Reports: June 30 was the deadline to report 2012 crops. Late filing results in the producer paying for the cost of a field visit to verify the crop and to avoid the possibility of losing program payments. Before the County Committee can accept a late-filed acreage report, all of the following apply:

- the operator must pay the cost of a farm visit
- physical existence of the crop or crop residue must exist
- the crop's use can be verified
- the crop's acreage can be determined.

FSA ADOPTS NEW CHECK COLLECTION PROCESSING METHOD

Producers who make payments by check to the Farm Service Agency can expect to see a change soon in how those checks are processed. FSA is adopting an electronic method for processing check payments from customers.

Using the electronic method, if you submit a paper check payment, either in person or through the mail, the check will be converted into an Electronic Funds Transfer (EFT) using Over the Counter Channel (OTCnet), a web-based application.

The transfer of funds will be reflected on your bank account statement. The transaction may be recorded in a different place on your statement than where your checks normally appear, such as under "other withdrawals" or "other transactions." You have protections under Federal law for an unauthorized electronic fund transfer from your account. You should contact your financial institution immediately if you believe that the transaction reported on your account statement was not properly authorized or is otherwise incorrect.

It is important for you to have sufficient funds in your bank account because the electronic transfer of funds could occur within 24 hours. FSA will hold the paper check for up to 14 calendar days to ensure that the transaction was successfully processed and then the check will be shredded. You will not receive the paper check back from FSA.

The agency is implementing the new system to reduce the possibility of losing or misplacing checks, speed up the check clearing process and to reduce the potential for human error.

For more information regarding electronic check processing, contact the county FSA office or see the U.S. Department of Treasury Internet site by clicking on the following link: <http://fms.treas.gov/otcnet/legal.html>.

FARM LOAN COVERAGE AREA EXPANDED FOR FSA OFFICE IN PASCO

In order to provide better service to our customers, the Farm Loan Program for both Walla Walla and Columbia Counties is now serviced out of the Pasco / Franklin County Service Center. The regular office hours and visitation schedule will be posted in the County Office and in this newsletter when finalized.

If you have questions about the FSA Farm Loan Program, please contact Joyce NevinsGinsberg, Senior Farm Loan Officer or Beth Farias, FLP Program Technician in Pasco @ (509)545-8543.

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