

July 2019



## Farm Service Agency **Electronic News Service**

# NEWSLETTER

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## Oregon FSA Newsletter

### **State Farm Service Agency**

**State Executive Director:** Barry Bushue

**State Committee:**  
Anna Sullivan, Chair  
Sam Asai, Member  
Phil Hassinger, Member  
TJ Hansell, Member  
Denver Pugh, Member

**Administration:**  
Martin Nguyen, Acting  
Administrative Officer

### **A Message from our State Executive Director**

The Secretary of Agriculture recently announced the sign-up period for MFP 2.0 from July 29 to December 6. More details are provided in the [USDA News Release-USDA Announces Details of Support Package](#). If you raise any of the crops listed, I encourage you to visit your county office to enroll.

I took the opportunity to visit several county offices last week. I visited Central Oregon, Harney, Malheur and Wallowa counties. I was again impressed with the professionalism and commitment of our county office staff. I truly appreciate the work they do to help "their" farmers and ranchers. It is a busy time, with records updates, changes in programs, sign-ups and servicing loans, but they always find time to sit down with their customers to help meet their needs.

I enjoy the chance to travel through Oregon and see the diversity of crops and technology used by our farmers and ranchers. I was able

**Farm Programs:**  
Kent Willett, Acting Chief

**Farm Loan Programs:**  
Kathey Brucker, Acting Chief

**Next STC Meeting:** tbd

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

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to visit a rancher outside of Burns and see the work he has done in riparian areas utilizing the Conservation Reserve Enhancement Program (CREP). A great example of what can be accomplished.

In the evenings, I visited some farms in Malheur and Umatilla counties. I was able to see first hand the results of strip till planting in Malheur County and view the equipment that was used. The crops looked great and the machinery was well designed and clearly very functional. The farmer had given the idea a lot of thought and planning, and it appears to have paid off. He estimated that in some crops, he saved seven passes across the fields. The savings in fuel, time, and equipment coupled with better soil health and water conservation were all good reasons to make the switch.

The next evening, I spent a couple of hours in a combine near Helix. The field we were in had been in the Conservation Reserve Program (CRP) and was now in wheat. Good moisture and timely planting had made for a good crop and the steep ground provided no challenge for my friend's John Deere 222 Hillside, a classic according to him.

On Friday I attended the Eastern Oregon Economic Summit in Hermiston. There were a lot of people there. Farmers, local business owners, county commissioners, state legislators, local cities, community colleges and universities.

There were a lot of great presentations showing the state of the rural economy, stories of successful businesses with a long history, and relatively new ones in the area. There was a very interesting and informative panel of state legislators and a message from Congressman Walden.

The President of Eastern Oregon University and a representative of the state's Community Colleges provided an insight into the value of higher education and the roles they can play in the work force, community at large and economic development. It was an interesting and useful event and time well spent.

These travels and visits always remind me of how important agriculture is to our communities and how progressive and productive our farmers are. I am glad to be part of an agency that can help provide some of the tools our customers use when they need them.

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## July Interest Rates

**90 Day Treasury Bill:** 2.375%  
**Direct Operating Loans:** 3.250%  
**Farm Ownership and Conservation Loans:** 3.875%  
**Farm Ownership Down Payment:** 1.500%  
**Farm Ownership Joint Financing:** 2.500%  
**Emergency Loans Actual Loss:** 3.750%  
**Farm Storage Facility Loan 3 Year:** 1.875%  
**Farm Storage Facility Loan 5 Year:** 1.875%  
**Farm Storage Facility Loan 7 Year:** 2.000%

**Farm Storage Facility Loan 10 Year: 2.125%**  
**Farm Storage Facility Loan 12 Year: 2.250%**

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## Important Dates

**June 3:** USDA Reopened Continuous CRP Signup; ends August 23.

**June 14:** 2019 COC Elections Nominations Open through August 1.

**July 29:** Margin Facilitation Program sign-ups begins; ends December 6, 2019.

**September 2:** Offices Closed - Labor Day Federal Holiday.

**Oct. 31:** Organic Certification Cost Share Program (OCCSP) applications due for FY 2019.

**Within 15 Days** – earlier of (A) when a disaster occurred or damage to the crop or commodity becomes apparent or (B) normal harvest date for reporting a Notice of Loss for NAP\*

**Within 30 Days** – when loss is apparent for reporting a Notice of Loss for LIP and ELAP.

**TAP** - Eligible producers should file for TAP assistance by the later of these two dates - 90 days of the disaster or when damages from the disaster are noticed; or 60 days after the regulation is published on the Federal Register later this summer.

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## USDA Offers Producers Options to Re-enroll or Extend Expiring CRP Contracts

Farmers and ranchers with expiring [Conservation Reserve Program](#) (CRP) contracts may now re-enroll in certain CRP continuous signup practices or, if eligible, select a one-year contract extension. USDA's Farm Service Agency (FSA) is also accepting offers from landowners who want to enroll for the first time in one of the country's largest conservation programs. FSA's 52<sup>nd</sup> signup for CRP runs from June 3 to August 23.

This year's CRP continuous signup includes practices such as grass waterways, filter strips, riparian buffers, wetland restoration and others. [View a full list of practices approved for this signup](#). Continuous signup contracts last for 10 to 15 years. Soil rental rates are set at 90 percent of 2018 rates. Incentive payments are not offered for these practices.

Producers interested in applying for CRP continuous practices, including those under existing CREP agreements, or who want to extend their contract, should contact their USDA service center by August 23.

To locate your local FSA office, visit [www.farmers.gov](http://www.farmers.gov). More information on CRP can be found at [www.fsa.usda.gov/crp](http://www.fsa.usda.gov/crp).

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## New Dairy Margin Coverage Signup Began June 17

Signup began June 17 for the new [Dairy Margin Coverage](#) (DMC) program, the cornerstone program of the dairy safety net that helps dairy producers manage the volatility of milk and feed prices, operated by the U.S. Department of Agriculture's Farm Service Agency (FSA).

The 2018 Farm Bill allowed USDA to construct the new DMC, which replaces the Margin Protection Program for Dairy (MPP-Dairy). This new program 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 selected by the producer.

The program provides coverage retroactive to January 1, 2019, with applicable payments following soon after enrollment. At the time of signup, dairy producers can choose between the \$4.00 to \$9.50 coverage levels. [Learn more about coverage levels and premiums.](#)

The Farm Bill also allows producers who participated in MPP-Dairy from 2014-2017 [to receive a repayment or credit for part of the premiums paid into the program.](#) FSA has been providing premium reimbursements to producers since last month and those that elect the 75 percent credit option will now have that credit applied toward 2019 DMC premiums.

The Department has built in a 50 percent blend of premium and supreme alfalfa hay prices with the alfalfa hay price used under the prior dairy program to provide a total feed cost that more closely aligns with hay rations used by many producers. At a milk margin minus feed cost of \$9.50 or less, payments are possible. With the 50 percent hay blend, FSA's revised April 2019 income over feed cost margin is \$8.82 per hundredweight (cwt). The revised margins for January, February and March are, respectively, \$7.71, \$7.91 and \$8.66 – triggering DMC payments for each month.

DMC payments will be reduced by 6.2 percent in 2019 because of a sequester order required by Congress and issued in accordance with the Balanced Budget and Emergency Deficit Control Act of 1985.

DMC offers catastrophic coverage at no cost to the producer, other than an annual \$100 administrative fee. Producers can opt for greater coverage levels for a premium in addition to the administrative fee. Operations owned by limited resource, beginning, socially disadvantaged or veteran farmers and ranchers may be eligible for a waiver on administrative fees. Producers have the choice to lock in coverage levels until 2023 and receive a 25-percent discount on their DMC premiums.

To assist producers in making coverage elections, USDA partnered with the University of Wisconsin to develop a [DMC decision support tool](#), which can be used to evaluate various scenarios using different coverage levels through DMC.

All dairy operations in the United States are eligible for the DMC program. An operation can be run either by a single producer or multiple producers who commercially produce and market cows' milk.

Eligible dairy operations must have a production history determined by FSA. For most operations, production history is based on the highest milk production in 2011, 2012 and 2013. Newer dairy operations have other options for determining production history. Producers may contact their local FSA office to get their verified production history.

Dairy producers also are reminded that 2018 Farm Bill provisions allow for dairy operation to participate in both FSA's DMC program and the Risk Management Agency's [Livestock Gross Margin \(LGM-Dairy\)](#) program. There are also no restrictions from participating in DMC in conjunction with any other RMA insurance products.

For more information, visit [farmers.gov DMC webpage](#) or contact your local USDA service center. To locate your local FSA office, visit [farmers.gov/service-locator](#).

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## Environmental Review Required Before Project Implementation

The National Environmental Policy Act (NEPA) requires Federal agencies to consider all potential environmental impacts for federally-funded projects before the project is approved.

For all Farm Service Agency (FSA) programs, an environmental review must be completed before actions are approved, such as site preparation or ground disturbance. These programs include, **but are not limited to**, the Emergency Conservation Program (ECP), Farm Storage Facility Loan

(FSFL) program and farm loans. If project implementation begins before FSA has completed an environmental review, this will result in a denial of the request. There are exceptions regarding the Stafford Act and emergencies. It is important to wait until you receive written approval of your project proposal before starting any actions, including, but not limited to, vegetation clearing, site preparation or ground disturbance.

Remember to contact your local FSA office early in your planning process to determine what level of environmental review is required for your program application so that it can be completed timely.

Applications cannot be approved contingent upon the completion of an environmental review. FSA must have copies of all permits and plans before an application can be approved.

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## Transitioning Expiring CRP Land to Beginning, Veteran or Underserved Farmers and Ranchers

Retired or retiring landowners or operators are encouraged to transition their Conservation Reserve Program (CRP) acres to beginning, veteran or underserved farmers or ranchers through the Transition Incentives Program (TIP). TIP provides annual rental payments to the retiring farmer for up to two additional years after the CRP contract expires, provided the transition is not to a family member.

Enrollment in TIP is on a continuous basis. Beginning, veteran or underserved farmers and ranchers and retiring CRP participants may enroll in TIP beginning one year before the expiration date of the CRP contract or Aug. 23. For example, if a CRP contract is scheduled to expire on Sept. 30, 2019, the land may be offered for enrollment in TIP beginning June 3, 2019, through Aug. 23, 2019. The Aug. 23 deadline allows the Natural Resources Conservation Service (NRCS) time to complete the TIP sustainable grazing or crop production conservation plans. The TIP application must be submitted prior to completing the lease or sale of the affected lands.

New landowners or renters must return the land to production using sustainable grazing or farming methods.

For more information on TIP, visit <https://www.fsa.usda.gov/conservation>.

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## NRCS, UC Davis launch improved SoilWeb smartphone app

Wondering about the best place to build a pond, where to dig post holes, or the crop production capability of your land? Now there's an app for that!

USDA's Natural Resources Conservation Service (NRCS) and the University of California at Davis Soil Resource Laboratory have launched the *SoilWeb* app version 2.0 for Android and iOS devices. *SoilWeb* delivers GPS-based soil information for the exact soil the user is standing on, allowing users to access over 120 years of soils data from the world's largest soils database.

*SoilWeb* is available as a free download on [Google Play](#)  and the [Apple App Store](#) .

"*SoilWeb* reached a new milestone this year when it was integrated with Google Maps and designed to scale across any device, desktop, tablet or smart phone," said NRCS Chief Matthew Lohr. "*SoilWeb* app is a portable interface to authoritative digital soil survey data from NRCS, giving users access to practical detailed scientific soil information on the go."

**Newest tool in the shed**

The app provides gardeners, landscapers and realtors with information relating to soil types and how to optimally use the soil. Although soil survey information can be used for general farm, local, and wider area planning, a professional onsite evaluation may be needed to supplement this information in some cases.

*SoilWeb* provides users with information relating to soil types that are associated with their location. The images are then linked to information about the different types of soil profiles, soil taxonomy, land classification, hydraulic and erosion ratings and soil suitability ratings.

“*SoilWeb* is a great way to understand the landscape you live in,” said Anthony O’Geen, UC Davis Professor and Cooperative Extension Specialist in the Department of Land, Air and Water Resources. “Producing food, constructing structures and maintaining landscapes all depend on this little understood, but critical outermost layer of the earth’s crust, the soil.”

## Deep knowledge

All the soil information in *SoilWeb* was collected from the National Cooperative Soil Survey, organized by NRCS, and accesses soil survey information the agency has been collecting since the 1890s. The resulting database, the largest such in the world, makes it possible for soil scientists to generate specialized maps using computer-aided techniques.

O’Geen developed *SoilWeb* with NRCS Soil Scientist Dylan Beaudette, in 2010 when Beaudette was a Ph.D. student at UC Davis. The app was a popular download, but by 2017 was no longer in compliance with requirements set by Apple and Google. Frequent users of *SoilWeb* had to rely on the web-based version from 2017 to June 2019.

Any users with the older version on their phone can do a simple update to access the newest version. The app is a product of a 14-year partnership between NRCS and UC Davis College of Land, Air and Water Resources.

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## Reporting Organic Crops

Producers who want to use the Noninsured Crop Disaster Assistance Program (NAP) organic price and selected the "organic" option on their NAP application must report their crops as organic.

When certifying organic acres, the buffer zone acreage must be included in the organic acreage.

Producers must also provide a current organic plan, organic certificate or documentation from a certifying agent indicating an organic plan is in effect. Documentation must include:

- name of certified individuals
- address
- telephone number
- effective date of certification
- certificate number
- list of commodities certified
- name and address of certifying agent
- a map showing the specific location of each field of certified organic, including the buffer zone acreage

Certification exemptions are available for producers whose annual gross agricultural income from organic sales totals \$5,000 or less. Although exempt growers are not required to provide a written certificate, they are still required to provide a map showing the specific location of each field of certified organic, transitional and buffer zone acreage.

For questions about reporting organic crops, contact your local FSA office. To find your local office, visit <http://offices.usda.gov>.

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## New Farmers.gov Feature Helps Producers Find Farm Loans that Fit Their Operation

A new online tool can help farmers and ranchers find information on U.S. Department of Agriculture (USDA) farm loans that may best fit their operations. USDA has launched the new *Farm Loan Discovery Tool* as the newest feature on farmers.gov, the Department's self-service website for farmers.

USDA's Farm Service Agency (FSA) offers a variety of loan options to help farmers finance their operations. From buying land to financing the purchase of equipment, FSA loans can help. Compared to this time last year, FSA has seen an 18 percent increase in the amount it has obligated for direct farm ownership loans, and through the 2018 Farm Bill, has [increased the limits](#) for several loan products.

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USDA conducted field research in eight states, gathering input from farmers and FSA farm loan staff to better understand their needs and challenges.

### How the Tool Works

Farmers who are looking for financing options to operate a farm or buy land can answer a few simple questions about what they are looking to fund and how much money they need to borrow. After submitting their answers, farmers will be provided information on farm loans that best fit their specific needs. The loan application and additional resources also will be provided.

Farmers can download application quick guides that outline what to expect from preparing an application to receiving a loan decision. There are four guides that cover loans to individuals, entities, and youth, as well as information on microloans. The guides include general eligibility requirements and a list of required forms and documentation for each type of loan. These guides can help farmers prepare before their first USDA service center visit with a loan officer.

Farmers can access the *Farm Loan Discovery Tool* by visiting [farmers.gov/fund](https://farmers.gov/fund) and clicking the "Start" button. Follow the prompts and answer five simple questions to receive loan information that is applicable to your agricultural operation. The tool is built to run on any modern browser like Chrome, Edge, Firefox, or the Safari browser, and is fully functional on mobile devices. It does not work in Internet Explorer.

### About Farmers.gov

In 2018, USDA unveiled farmers.gov, a dynamic, mobile-friendly public website combined with an authenticated portal where farmers will be able to apply for programs, process transactions, and manage accounts.

The *Farm Loan Discovery Tool* is one of many resources on farmers.gov to help connect farmers to information that can help their operations. Earlier this year, USDA launched the *My Financial Information* feature, which enables farmers to view their loan information, history, payments, and alerts by logging into the website.

USDA is building farmers.gov for farmers, by farmers. In addition to the interactive farm loan features, the site also offers a Disaster Assistance Discovery Tool. Farmers can visit [farmers.gov/recover/disaster-assistance-tool#step-1](https://farmers.gov/recover/disaster-assistance-tool#step-1) to find disaster assistance programs that can help their operation recover from natural disasters.

With feedback from customers and field employees who serve those customers, farmers.gov delivers farmer-focused features through an agile, iterative process to deliver the greatest immediate value to America's agricultural producers – helping farmers and ranchers do right, and feed everyone.

For more information or to locate your USDA Service Center, visit [farmers.gov](http://farmers.gov).

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## Maintaining Good Credit History

Farm Service Agency (FSA) Farm Loan programs require that applicants have a satisfactory credit history. A credit report is requested for all FSA direct farm loan applicants. These reports are reviewed to verify outstanding debts, if bills are paid timely and to determine the impact on cash flow.

Information found on a customer's credit report is strictly confidential and is used only as an aid in conducting FSA business.

Our farm loan staff will discuss options with you if you have an unfavorable credit report and will provide a copy of your report. If you dispute the accuracy of the information on the credit report, it is up to you to contact the issuing credit report company to resolve any errors or inaccuracies.

There are multiple ways to remedy an unfavorable credit score.

- Make sure to pay bills on time. Setting up automatic payments or automated reminders can be an effective way to remember payment due dates.
- Pay down existing debt.
- Keep your credit card balances low.
- Avoid suddenly opening or closing existing credit accounts. FSA's farm loan staff will guide you through the process, which may require you to reapply for a loan after improving or correcting your credit report.

For more information on FSA farm loan programs, visit [www.fsa.usda.gov](http://www.fsa.usda.gov).

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## USDA Microloans Help Farmers Purchase Farmland and Improve Property

*Producers, Including Beginning and Underserved Farmers, Have a New Option to Gain Access to Land*

The U.S. Department of Agriculture (USDA) is offering farm ownership microloans, creating a new financing avenue for farmers to buy and improve property. These microloans are especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations.

The microloan program has been hugely successful, providing more than 16,800 low-interest loans, totaling over \$373 million to producers across the country. Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013. Seventy percent of loans have gone to new farmers.

Now, microloans will be available to also help with farm land and building purchases, and soil and water conservation improvements. FSA designed the expanded program to simplify the application process, expand eligibility requirements and expedite smaller real estate loans to help farmers

strengthen their operations. Microloans provide up to \$50,000 to qualified producers and can be issued to the applicant directly from the USDA Farm Service Agency (FSA).

To learn more about the FSA microloan program visit [www.fsa.usda.gov/microloans](http://www.fsa.usda.gov/microloans), or contact your local FSA office.

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