



Cochise County Newsletter

AVAILABLE FARM LOANS

Cochise County USDA Service Center

Cochise County FSA
658 N Bisbee Ave
Willcox, AZ 85643
PH: (520) 384-3588
FAX: (520) 384-2735
www.fsa.usda.gov

Hours of Operation
Monday – Friday
8:00 am – 4:30 pm
Closed on Legal Holidays

County Committee
Mark Cook, Chair
Lance Owen, Vice Chair
Edward Curry, Member

Program Staff
Carol Case, CED
Rebecca Burreight, PT
Shari Binger, PT
Tonya Ayala, PT

Farm Loan Staff
Jonna Darnell, FLM
Cissi Graves, FLO
Dee Haupt, PT

- In this Issue:**
- IRS Form 1099-G
 - Maintaining the Quality of Loaned Grain
 - NAP Clarifications
 - DCP Signup Underway
 - COC Election Results
 - 2011 Sales Closing Dates
 - Dates to Remember



Farm Operating and Farm Ownership Loans:

FSA makes direct and guaranteed farm ownership (FO) and operating loans (OL) to family-size farmers and ranchers who cannot obtain commercial credit from a bank, Farm Credit System institution, or other lender. FSA loans can be used to purchase land, livestock, equipment, feed, seed, and supplies. Our loans can also be used to construct buildings or make farm improvements.

Beginning Farmer Program:

Each fiscal year, FSA targets a portion of its direct and guaranteed farm ownership (FO) and operating loan (OL) funds to beginning farmers. A beginning farmer is an individual or entity who (1) has not operated a farm for more than 10 years; (2) meets the loan eligibility requirements of the program to which he/she is applying; (3) substantially participates in the operation; and, (4) for FO purposes, does not own a farm greater than 30 percent of the median size farm in the county. (Note: all applicants for direct FO loans must have participated in the business operation of a farm for at least 3 years.)

Loans for Socially Disadvantaged Persons:

Each fiscal year, FSA targets a portion of its direct and guaranteed farm ownership (FO) and operating loan (OL) funds to SDA farmers. Non-reserved funds can also be used by SDA persons. An SDA group is a group whose members have been subject to racial, ethnic or gender prejudice because of their identity as members of a group without regard to their individual qualities. These groups consist of American Indians or Alaskan Natives, Asians, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, Hispanics and women.

Youth Loans:

FSA makes operating loans of up to \$5,000 to eligible individual rural youths age 10 through 20 to finance income-producing, agriculture-related projects. The project must be of modest size, educational, and initiated, developed and carried out by rural youths participating in 4-H clubs, FFA or a similar organization. The project must be an organized and supervised program of work. It must be planned and operated with the assistance of the organization advisor, produce sufficient income to repay the loan, and provide the youth with practical business and educational experience in agriculture-related skills.

Emergency Loans:

FSA provides emergency loans to help producers recover from production and physical losses due to drought, flooding, other natural disasters, or quarantine. Emergency loan funds may be used to: restore or replace essential property; pay all or part of production costs associated with the disaster year; pay essential family living expenses; reorganize the farming operation; and refinance certain debts. To apply for an emergency loan, you must have owned or operated land located in a county declared by the President as a disaster area or designated by the Secretary of Agriculture as a disaster area or quarantine area.

Conservation Loans:

CL funds can be used to implement conservation practices approved by the Natural Resources Conservation Service (NRCS), such as the installation of conservation structures; establishment of forest cover; installation of water conservation measures; establishment or improvement of permanent pastures; implementation of manure management; and the adaptation of other emerging or existing conservation practices, techniques or technologies.

FARM LOAN LIMITATIONS

Loan Type	Maximum	Term	Rate as of 12/01/2010
Farm Ownership Loan (FO)	\$ 300,000	Up to 40 years	Now 4.125%
Operating Loan (OL)	\$ 300,000	1 to 7 years	Now 1.750%
Emergency Loan	\$ 500,000	1 to 40 years	Now 3.750%
Guaranteed Loans (FO & OL)	\$ 1,112,000	By Lender	By Lender, Commercial Rates

IRS FORM 1099-G

Producers annually receive CCC-1099-Gs detailing payments producers have received from the Commodity Credit Corporation. The annual report of program payments on CCC-1099-Gs is a service intended to help our customers report taxable income. It is not intended to replace the producers' responsibilities to report income to IRS. FSA staff cannot interpret IRS regulations or advise producers about which payments to report on their income tax returns. However, county office staff can review payments for accuracy.

MAINTAINING THE QUALITY OF LOANED GRAIN

This year's large grain crop has its obvious up side, but there is a downside too. Many producers are hard pressed to find adequate storage for every bushel harvested. Overfilled grain storage bins can lead to grain quality problems.

Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.



NAP CLARIFICATIONS

There has been some confusion on the filing deadlines for the Noninsurable Crop Disaster Assistance Program (NAP). Signed and dated crop production must be filed no later than the immediately subsequent crop year acreage reporting deadline for that crop. Also, production cannot be accepted without an acreage report.

For Example:

Farmer John timely purchased 2011 NAP on his 100 acres of pistachios. He must file an acreage report (also known as crop certification) by July 15, 2011. When his 2011 crop is harvested, he must file his production by July 15, 2012. If he forgets to file an acreage report, his crop production will not be accepted.

Failure to timely file acreage reports and production could result in future ineligibility for NAP assistance on that crop.

DCP SIGN-UP UNDERWAY

Signup has started for the 2011 Direct & Counter-cyclical Payment (DCP) Program for farms with base acres. Signup will continue until June 1, 2011. The June 1, 2011 deadline is mandatory for all participants. FSA will not accept any late-filed applications.

FSA computes DCP Program Payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2011, producers may request to receive advance payments no earlier than December 2010 based on 22 percent of the direct payment for each commodity associated with the farm. Counter-cyclical payment rates vary depending on market prices and are issued only when the effective price for a commodity is statutorily set below its target price.

To schedule an appointment to signup or for more information, contact Rebecca at (520) 384-3588 x103.

COC ELECTION RESULTS

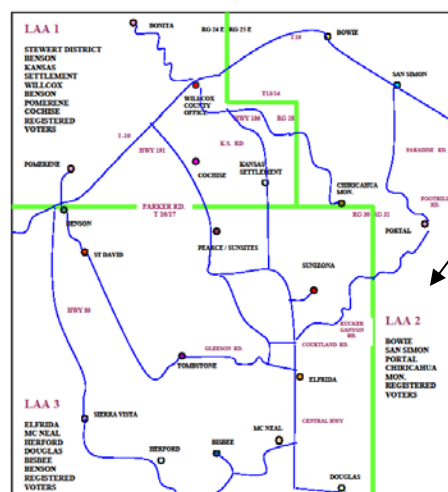
Congratulations to Mark Cook! Mr. Cook was elected to represent the farmers and ranchers from Local Administrative Area 2 on the county committee (COC). The elected will serve a three year consecutive term beginning January 1, 2011. The results for Local Administrative Area 2 were:

Mark Cook—Elected to the COC

Lynne Carr Ray—1st Alternate to the COC

On January 20, 2011, the county committee will hold its organizational meeting to determine the slate of officers for the 2011 calendar year.

FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.



Boundaries for LAA 2

2011 Sales Closing Dates

This table provides the 2011 sales closing dates for Arizona. The county where the crops are physically grown, will determine whether they are insurable and eligible for catastrophic risk protection (CAT) level or are noninsurable and eligible for noninsured crop disaster assistance program (NAP). Consult your local insurance agent to determine whether the crops you are growing are eligible for CAT or NAP. Please note: Some FSA programs require ALL crops to be insured with either CAT or NAP.

January 31, 2011	February 28, 2011	May 31, 2010	May 31, 2011	September 1, 2010	October 31, 2010	November 20, 2009	November 20, 2010	November 30, 2010
Alfalfa Mix Cucumbers Grapes Grass, Bermuda Grass, Sudan Herbs, Basil Jojoba Pecans Peppers, Chile Raisins	Beans, Pinto Corn Cotton Okra Olives Peanuts Potato, Sweet Pumpkins Sorghum Squash	Artichokes Beans, Gar Beets Broccoli Cabbage Canola Carrots Cauliflower Celery Flowers, Chrysanthemum Greens, All Herbs, Cilantro Mustard Oats Onions Peas Radish Tomatoes	Nursery	Crustaceans Flowers, Stock Garlic	Alfalfa Barley Cantaloupe Grass, Native Honeydews Lettuce Rye Wheat	Grapefruit Lemons Oranges Tangelos	Apples Apricots Cherries Honey Peaches Pears Pistachios Plums Watermelon	Potatoes

United States Department Of Agriculture
Cochise County Farm Service Agency
658 North Bisbee Avenue
Willcox, Arizona 85643

IMPORTANT DATES TO REMEMBER

December

- 24 Office Closed in Observance of Christmas Day
- 31 Office Closed in Observance of New Years Day

January

- 17 Office Closed in Observance of the Birthday of Martin Luther King, Jr.
- 20 Cochise County Committee Meeting @ 9:00 am

February

- 17 Cochise County Committee Meeting @ 9:00 am (Tentatively Scheduled)
- 21 Office Closed in Observance of George Washington's Birthday



Seasons Greetings!

May your hearts be lifted in joy at the true meaning of this wondrous holiday season.

NONDISCRIMINATION STATEMENT: The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs). Persons with disabilities who require alternative means for communication of program information (Braille, large print, audio tape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.