



NEWSLETTER



Elk Grove Farm Service Agency Office

Serving Sacramento, Amador, El Dorado & Placer Counties

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Hispanic and Women Farmer and Rancher Claims Period

USDA has announced that Hispanic and women farmers and ranchers who allege discrimination by the USDA in past decades can file claims between Sept. 24, 2012 and March 25, 2013.

The process offers a voluntary alternative to litigation for each Hispanic or female farmer and rancher who can prove that USDA denied their applications for loan or loan servicing assistance for discriminatory reasons for certain time periods between 1981 and 2000.

As announced in February 2011, the voluntary claims process will make available at least \$1.33 billion for cash awards and tax relief payments, plus up to \$160 million in farm debt relief, to eligible Hispanic and women farmers and ranchers. There are no filing fees to participate in the program.

USDA will continue reaching out to potential Hispanic and female claimants, around the country to get the word out to individuals who may be eligible for this program so they have the opportunity to participate.

Claimants can obtain a claims package in the mail by calling 1-888-509-4429 or visiting the website www.farmerclaims.gov . and the claims package will be mailed to claimants. Public meetings are also being held in many areas to

share further information. Contact your nearest FSA office to get a schedule in your area.

Website: www.farmerclaims.gov

Phone: 1-888-508-4429

Claims Period: Sept. 24, 2012 - March 25, 2013.

An independent third-party administrator will administer the claims process and adjudicate the claims. There are no filing fees to participate and a lawyer is not required to participate in the claims process, but claimants may retain an attorney or other legal services provider. The USDA news release provides more background: <http://www.usda.gov/wps/portal/usda/usdahome?contentid=2012/09/0309.xml&contentidonly=true>

IRS 1099 Changes

Calendar year 2012 has brought changes to the way FSA reports farm program payments to the producer and to the IRS.

In past years, IRS Form 1099-G would be issued to show all program payments received from the Farm Service Agency, regardless of the amount.

Starting with calendar year 2012, producers whose total reportable payments from FSA are less than \$600 will not receive IRS Form 1099-G. Also, producers who receive payments from more than one county will only receive one Form 1099-G if the total of all payments from all counties is \$600 or more.

The same changes will apply to those who normally receive IRS Form 1099-MISC from FSA.

Guaranteed Loan Limit

The Farm Service Agency has announced that as of Oct. 1, 2012 the loan limit for the Guaranteed Loan Program is \$1,302,000. This limit is adjusted annually based on data compiled by the National Agricultural Statistics Service.

The FSA overall lending ceiling increases every year according to an inflation index. The maximum combined guaranteed and direct farm loan indebtedness is now \$1,602,000.

As a reminder, the one-time loan origination fee charged on FSA guaranteed farm ownership and operating loans is 1.5 percent of the guaranteed portion of the loan. Producers can contact the local FSA county offices with questions about farm loans.

Maintaining Quality of Loaned Grain

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.

2011 Supplemental Revenue Assistance Program Applications

The Farm Service Agency (FSA) will continue to accept SURE applications for 2011 crop losses through June 7, 2013. The SURE Program provides payments to producers when crop revenues are less than the crop guarantee. The SURE Program payment is equal to 60 percent of the difference between the SURE guarantee and total farm revenue.

To determine the guarantee and revenue for the SURE Program, all crops on all farms for a producer are included in the calculation. Payments under the SURE Program are limited to \$100,000.

To be eligible for the 2011 SURE Program, producers must have crop insurance on all

insurable crops. For crops that are not covered by crop insurance such as pumpkins, cucumbers and others, producers must have purchased Non Insured Crop Disaster Assistance Program (NAP) coverage through FSA. The Crop Insurance and NAP purchase requirement is waived for crops that are not economically significant to the farming operation. In addition, producers must have at least one crop with a 10 percent production loss in the Secretarial Disaster Designation for the county or a 50% loss in actual crop production.

For more information concerning the 2011 SURE program or other Farm Service Agency programs, contact your local FSA office or visit the Farm Service Agency website at www.fsa.usda.gov/pas/.

NAP Coverage Deadlines

Noninsured Crop Disaster applications are due at different times according to the crop being insured. Producers should apply for Noninsured Crop Disaster Assistance Program (NAP) coverage using form CCC-471 (Application for Coverage). Related service fees are due when the application is filed. The application and service fee MUST be filed by the crop sales closing date. Contact the local FSA office for the filing dates for your crops.

2013 Ag Census Coming

USDA National Agricultural Statistics Service will mail the 2013 Census of Agriculture in mid-December. If you receive an Ag Census form, please complete and return it by the February 4, 2013 deadline.

Producers can easily and securely respond online after receiving their census form at www.agcensus.usda.gov. For questions or help completing the form producers can contact NASS at (888) 424-7828.

The Census of Agriculture is conducted only once every five years to accurately collect demographic information about farmers, ranchers and their operations. USDA agencies and many other institutions and organizations use the results of the Census for education, research, planning and policy-making decisions within government, as well as business, industry and academia. The use of this valuable information impacts **everyone** across our nation.

Emergency Farm Loans

USDA's Farm Service Agency (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.

Further information and applications for the loan programs described are available at local FSA county offices.

Farm Storage Facility Loan Program

The Farm Storage Facility Loan Program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The new maximum principal amount of a loan through FSFL is \$500,000. Participants are now required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. New loan terms of seven, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the U.S. Treasury Department.

Payments are made in two parts: a partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount.

Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin.

For more information about FSFL please visit your FSA county office or www.fsa.usda.gov.

Commodity Loans

Commodity loans, also referred to as Marketing Assistance Loans, are available to producers who share in the risk of producing the crop. To be eligible, producers must maintain beneficial interest in the crop through the time of application. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if the producer regains beneficial interest.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling in 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 certification.

LDPs for Unshorn Lamb Pelts

Eligible producers have until Jan. 31, 2013, to apply for Loan Deficiency Payments (LDP) for unshorn lamb pelts produced during the 2012 crop year.

Eligible producers must have beneficial interest in the pelts, owned the lamb for at least 30 calendar days before the date of slaughter and sell the unshorn lamb for immediate slaughter. Producers must also comply with wetland conservation and highly erodible land conservation provisions on all lands they operate or have interest in.

For an eligible producer to qualify for payment, pelts must have been produced from live unshorn lambs of domestic origin in the United States.

**NOTICE
TO HISPANIC
AND/OR
WOMEN
FARMERS OR
RANCHERS
COMPENSATION
FOR CLAIMS OF
DISCRIMINATION**

If you believe that the United States Department of Agriculture (USDA) improperly denied farm loan benefits to you between 1981 and 2000 because you are Hispanic, or because you are female, you may be eligible to apply for compensation.

To register your name to receive a claims packet, call the Farmer and Rancher Call Center at 1-888-508-4429 or visit: www.farmerclaims.gov

The claims package will have detailed information about the eligibility and claims process.



USDA is an equal opportunity provider and employer.

Farm Loan Programs

The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. Those producers who are having trouble getting credit for their farm or who regularly borrow from FSA, direct and guaranteed loans are currently available.

Ask a lender about an FSA loan guarantee to help with a setback or if a lender has been reluctant to extend or renew a loan.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans have a maximum limit of \$1,214,000. This makes the maximum combination of direct and guaranteed loan indebtedness \$1,514,000.

The one-time loan origination fee charged on FSA guaranteed farm ownership and operating loans has increased from 1 percent to 1.5 percent of the guaranteed portion of the loan, for loans obligated after Oct. 1, 2012.

To find out more about FSA loan programs, contact the county office staff.

**Selected Interest Rates for
December 2012**

Farm Operating Direct	1.125%
Farm Ownership Direct	3.125%
Farm Ownership Direct, Joint Financing	5.00%
Farm Ownership Direct Down Payment,	1.500%
Emergency	2.125%
Conservation Loan	3.125%
Farm Storage Facility – 7 year	1.125%
Farm Storage Facility – 10 year	1.750%
Farm Storage Facility – 12 year	1.875%
Commodity Loans 1996-Present	1.125%

Dates to Remember

Dec. 3	COC Ballots due to FSA Office
Dec. 15	Acreage report due for Perennials, forage and potato plants
Dec. 15	NAP 2013 application closing for fruit/nut/tree crops, asparagus, artichokes, herbs
Dec. 25	Christmas Day, FSA office closed
Jan 1, 2013	NAP 2014 Citrus application closing
March 1, 2013	NAP 2013 closing for all annual crops
March 25, 2013	Hispanic and Women Farmer and Rancher Claims Period ends

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