

July 2013



Santa Barbara/Ventura County FSA Updates

County Committee Nominations

The election of agricultural producers to Farm Service Agency (FSA) county committees is important to ALL farmers and ranchers. It is crucial that every eligible producer participate in these elections because FSA county committees are a link between the agricultural community and the U.S. Department of Agriculture (USDA).

County committee members are a critical component of the operations of FSA. They help deliver FSA farm programs at the local level. Farmers and ranchers who serve on county committees help with the decisions necessary to administer the programs in their counties. They work to ensure FSA agricultural programs serve the needs of local producers.

FSA county committees operate within official regulations designed to carry out federal laws. County committee members apply their judgment and knowledge to make local decisions.

The COC nomination period runs from **June 17, 2013 through Aug. 1, 2013**. For more information contact your local FSA office.

Santa Barbara/ Ventura County FSA Office

920 East Stowell Road

Santa Maria, CA 93454

Phone: 805-928-9269

Fax: 805-928-9644

County Executive Director:
Brenda Farias

Program Technicians:
Daisy Lopez, Alex Hernandez

Farm Loan Manager:
Gary Troester

Natural Disaster Losses? Contact FSA

The Farm Service Agency administers agricultural assistance for natural disaster losses, resulting from drought, flood, fire, freeze, tornadoes, pest infestation, and other calamities. If you have experienced a loss on your farm or ranch due to a natural disaster, be sure to contact your local FSA office right away to report your loss and discuss possible FSA assistance eligibility.

Note that some FSA disaster assistance programs require advance enrollment and payment of a service fee. The Noninsured Crop Disaster Assistance Program (NAP) covers key crops and forage crops for which there is no program of commercial insurance. NAP Forage requires advance enrollment by Dec.1 prior to the crop year and also requires that the producer notify FSA within 15 days of the loss event or when the loss first becomes evident. Federal Crop Insurance Corporation contracts may also require that the producer file a report of loss with the FSA in a timely manner.

In addition to NAP, currently funded FSA Programs that assist in natural disasters include the Emergency Conservation Program (ECP) and the Emergency Loan Program (EM) which is triggered by the USDA Secretary's

Farm Loan Officer:

Victor Manuel Hernandez

Farm Loan Technician:

Tarry Hetzel

The Next COC Meeting is scheduled for 09/03/13 at 9:00am

FSA Signature Policy

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

Spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities. Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents. For more clarification on spousal signature authority, contact your local FSA office.

Banking Changes?

If you changed banks and did not notified FSA, your payments could be delayed. Payments are electronically transferred into your bank account, if we are not aware of changes to your account and routing numbers, there could be problems. In order to make timely payments, you need to notify the office if you close your account or if another financial institution purchases your bank. It is important that any changes in a producer's

Disaster Declaration.

Payment Limitations

All payment eligibility and payment limitation provisions, including Adjusted Gross Income (AGI) limitations, are extended for the 2013 crop year, program year, and fiscal year.

All rules and requirements effective for 2012 program payments and benefits are applicable to eligible recipients of 2013 program payment and benefits. This includes the requirements of actively engaged in farming, cash-rent tenant, substantive change, minor child, and spousal provisions. Payments will continue to be limited by direct attribution to person and legal entity.

Contributions

All partners, stockholders or members with an ownership interest in the legal entity must make a contribution, whether compensated or **not** compensated, for:

- Active personal labor,
- Active personal management,
- A combination of active personal labor and active personal management to the farming operation

Note that there are exceptions for spouses. Additional information on payment limitations is available at FSA county offices or online at: www.fsa.usda.gov

NAP-Non Insured Disaster Assistance Program

The NAP program was designed to reduce financial losses that occur when natural disasters cause a catastrophic loss of production or prevented planting of an eligible crop by providing coverage equivalent to Catastrophic Insurance. NAP is limited to each commercial crop or agricultural commodity, except livestock, for which catastrophic insurance is not available and is produced for food and fiber.

Upcoming 2014 NAP Insuring Deadlines

Multi planting Periods(Row Crops)- 08/01/2013

Crops with intended use of Grain/Seed(fall or spring planted)- 09/01/2013

Strawberries- 09/01/2013

Forage Crops Intended use of Forage, **Hay**(mechanically harvested),
Forage Crops intended use of Grazing- **12/01/2013**

account such as type account, bank mergers, routing number or account numbers, be provided to the county office promptly to avoid possible payment delay.

Honey- 12/01/2013

Caneberries- 12/15/2013

*******IMPORTANT REMINDER: The acreage reporting deadline for NAP was extended to August 2nd*******

Special Accommodations

Reasonable accommodations will be made, upon request, for individuals with disabilities, vision impairment, or hearing impairment to attend or participate in meetings or events sponsored by the Farm Service Agency. If you require special accommodations to attend or participate in one of our events, please call the FSA county office and we will make any needed arrangements.

Selected Interest Rates for August 2013

Farm Operating Loans-Direct :1.5%

Farm Ownership Loans-Direct:5.0%

Farm Ownership Loans-Direct Down Payment/Beggining/Farmer or Rancher:1.5%

Emergency Loans:4.625%

Hay Net

What is Hay Net?

The Farm Service Agency's (FSA) electronic Hay Net Ad Service (eHayNet) is an Internet-based service allowing farmers and ranchers to share 'Need Hay' ads and 'Have Hay' ads online.

A few things to remember when getting familiarized with the site:

- There is a one-time registration process that should be completed by all users who want to post an ad online.
- Users just wishing to browse ads DO NOT NEED to have an eAuthentication user id.
- Hay Net Ads will be automatically removed after a period of 13 months.
- Please help your fellow farmer and rancher by keeping ads current and up to date. Remove ads you no longer need advertised on our Web.
- Please use this site in a courteous manner. The site was not designed for use by placing ads in each state, or advertising your company.

To learn more about Hay Net [CLICK HERE](#)

Emergency Farm Loans

The Farm Service Agency provides emergency loans to help producers recover from production losses and physical losses due to drought, flooding, other natural disasters, or quarantine.

Loan Uses

--Emergency loan funds may be used to:

--Restore or replace essential property;

--Pay essential family living expenses;

--Reorganize the farming operation; and

--Refinance debt. The Secretary of Agriculture, Congress, or State Governor has declared major weather related disasters in the State of California, covering damages & losses for Primary Counties & Contiguous Counties

--Refinance debt.

Date of Declaration	Designation Code	Counties	Disaster	Expiration
12/19/12	S3452	Santa Barbara Ventura San Luis Obispo	Drought	08/19/13
02/27/13	S3491	Santa Barbara Ventura San Luis Obispo	Drought	10/28/13
04/10/13	S3504	Santa Barbara San Luis Obispo	Drought	12/10/13
03/13/13	S3497	San Luis Obispo	Drought	11/13/13

The Secretary of Agriculture, Congress, or State Governor has declared major weather related disasters in the State of California, covering damages & losses for Primary Counties & Contiguous Counties (see table).

To have qualifying losses, applicants must have suffered a severe physical or production loss directly related to the above cited disaster description. For more information contact the FSA farm loan team at (805) 928-9269 Ext. 2.

Direct and Guaranteed Loans

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

Ask your lender about an FSA loan guarantee if you've had a setback and your lender is reluctant to extend or renew your loan. Guaranteed loans have a maximum limit of \$1,302,000. This makes the maximum combination of direct and guaranteed loan indebtedness \$1,602,000.

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

Beginning and Limited Resource Loans

FSA has a program to assist beginning farmers and or members of socially disadvantaged groups to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

-Has operated a farm for not more than 10 years

-Will materially and substantially participate in the operation of the farm

-Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA

-Does not own a farm in excess of 30 percent of the county's median size.

Each member of an entity must meet the eligibility requirements. Loan approval is not guaranteed. Additional program information, loan applications and other materials are available at the local USDA Service Center or visit www.fsa.usda.gov and www.nrcs.usda.gov.

Loans for the Socially Disadvantaged

FSA has farm operating loans as well as loans to purchase or improve farms or ranches to assist applicants to begin or continue in agriculture production. While all qualified producers are eligible to apply for these loan programs, FSA has priority funding for socially disadvantaged applicants.

A socially disadvantaged applicant is a person who is a member of a group that has been subjected to racial, ethnic or gender prejudice without regard to the members' individual qualities. For purposes of this program, socially disadvantaged groups are women, African-Americans, American Indians, Alaskan Natives, Hispanics, Asian-Americans and Pacific Islanders. FSA loans are available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

Farm Storage Facility Loan Program

The Farm Storage Facility Loan Program (FSFLP) 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 or 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 Commodity Credit Corporation (CCC) borrows from the U.S. Treasury Department.

A partial disbursement of funds is 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.

FSA Supports Local Farmers with MICROLOANS

The Farm Service Agency (FSA) developed the Microloan (ML) program to better serve the unique financial operating needs of beginning, niche and the smallest of family farm operations by modifying its Operating Loan (OL) application, eligibility and security requirements. The program will offer more flexible access to credit and will serve as an attractive loan alternative for smaller farming operations like specialty crop producers and operators of community supported agriculture (CSA). These smaller farms, including non-traditional farm operations, often face limited financing options.

Use of Microloans

Microloans can be used for all approved operating expenses as authorized by the FSA Operating Loan Program, including but not limited to:

- Initial start-up expenses;

- Annual expenses such as seed, fertilizer, utilities, land rents;
- Marketing and distribution expenses;
- Family living expenses;
- Purchase of livestock, equipment, and other materials essential to farm operations;
- Minor farm improvements such as wells and coolers;
- Hoop houses to extend the growing season;
- Essential tools;
- Irrigation;
- Delivery vehicles.

For more information on Microloans [click here](#) or call your local FSA office

USDA is an equal opportunity provider and employer. 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).