



# NEWSLETTER



## 2013 Mid-Year NM FSA State Newsletter

### New Mexico FSA Office

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### Hours

Monday - Friday  
8:00 am - 4:30 pm

### NM FSA State Office Staff:

Lawrence Rael  
State Executive Director

Brenda Archuleta  
Executive Officer

Mary Ann Romero  
Farm Loan Chief

### State FSA Committee

James Bostwick  
Chairperson

Larry Burnett  
Member

Eddie Diaz  
Member

Molly Manzanares  
Member



It has been a year since my appointment as the State Executive Director for the FSA. What a great learning experience and pleasure to visit and meet so many wonderful people that help put food on our tables each and every day. Our New Mexico farmers and ranchers in spite of the drought and uncertainty of the Farm Bill continue to work hard and to make sure our agricultural economy continues to thrive across our state. Equally committed to the future of our agricultural economy are the many men and women that work for FSA in our county offices. These individuals work tirelessly to help our producers with the many programs that USDA/FSA has to offer.

Take for example, Torrance County producer Joseph Plant, who received a Microloan to fix broken pipes and shafting to his irrigation well (page 4), or Jose Juarez from Sandoval County who received assistance under the Livestock Indemnity Program (page 4). I am proud to say that these are some of the many success stories I have witnessed around our state, and there are more scenarios like these taking place all the time.

As you know, NM FSA's primary mission is to help New Mexico's farmers and ranchers secure the best possible financial assistance from USDA programs, as well as play a vital role in the economic survival of our state's rural communities. New Mexico FSA is proud to continue its strong tradition of providing customer-based service to NM producers. As the State Executive Director of FSA, I am committed to ensuring that agriculture across New Mexico continues to flourish throughout our rural communities.

### NEW MEXICO COUNTIES ELIGIBLE FOR EMERGENCY LOANS

Many New Mexico Counties have been declared a primary and/or contiguous disaster area due to drought and heat using the new, streamlined Secretarial Disaster Designation process. Under this designation, producers with operations in any primary or contiguous county are eligible to apply for low interest emergency loans.

The streamlined disaster designation process issues a drought disaster declaration when a county has experienced a drought intensity value of at least a D2 (severe drought) level for eight consecutive weeks based on the U.S. Drought Monitor during the crop year.

Emergency Loans help producers recover from production and physical losses due to drought, flooding and other natural disasters or quarantine.

Producers have eight months from the date of the declaration to apply for emergency loan assistance. FSA will consider each loan application on its own merits, taking into account the extent of losses, security available and repayment ability. Producers can borrow up to 100 percent of actual production or physical losses, to a maximum amount of \$500,000.

Producers with operations in counties that did not receive a disaster designation could be eligible for emergency loan assistance if they suffered at least a 30 percent loss in crop production or a physical loss to livestock, livestock products, real estate or chattel property.

## **2013 FSA COUNTY COMMITTEE ELECTIONS**

The election of agricultural producers to the FSA County Committee (COC) is important to all farmers and ranchers, whether beginning or long-established, large or small operation. It is crucial that every eligible producer participate in these elections because FSA COCs are a link between the agricultural community and the U.S. Department of Agriculture.

COC members are a critical component of FSA operations. The intent is to have the COC reflect the makeup of the producers and represent all constituents. This means wherever possible, minorities, women or lower income producers need to be on the committee to speak for these underrepresented groups.

County Committees provide local input on:

- Commodity price support loans and payments
- Conservation programs
- Incentive, indemnity and disaster payments for some commodities
- Emergency programs

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



### **Election Period**

June 17, 2013	The nomination period begins.
August 1, 2013	This is the last day to file nomination forms at the local USDA Service Center.
November 4, 2013	Ballots mailed to eligible voters.
December 2, 2013	Last day to return completed ballots to the USDA Service Center.
January 1, 2014	Newly elected county committee members take office.



### **Who Can Hold Office**

To hold office as a county committee member, a person must meet the basic eligibility criteria:

- Participate or cooperate in a program administered by FSA
- Be eligible to vote in a county committee election
- Reside in the local administrative area (LAA) in which the person is a candidate.

Not have been:

- Removed or disqualified from the office of county committee member, alternate or employee
- Removed for cause from any public office or have been convicted of fraud, larceny, embezzlement or any other felony
- Dishonorably discharged from any branch of the armed services.



### **Who Can Vote**

Agricultural producers of legal voting age may be eligible to vote if they participate or cooperate in any FSA program. A person who is not of legal voting age but supervises and conducts the farming operations of an entire farm also may be eligible to vote. More information about voting eligibility requirements can be found in the FSA fact sheet titled "FSA County Committee Election – Eligibility to Vote and Hold Office as a County Committee Member." Producers may contact their local USDA Service Center for more information.



### **LOANS FOR THE SOCIALLY DISADVANTAGED**

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of Socially Disadvantaged loan applicants.

A Socially Disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her 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 only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

### **BEGINNING FARMER LOANS**

FSA assists 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.

### **RURAL YOUTH LOANS**

The Farm Service Agency makes loans to Rural Youths to establish and operate income-producing agriculture projects in connection with 4-H Clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5,000.

### **LAND CONTRACT (LC) GUARANTEES**

The Land Contract (LC) Guarantee Program is a valuable tool to transfer farm real estate to the next generation of farmers and ranchers. Guarantees will be offered to the owner of a farm who wishes to sell real estate through a LC to a Beginning farmers or Socially Disadvantaged farmer or rancher. The guarantee reduces the financial risk to the seller.



### **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 Guaranteed Loan if you've had a setback and your lender is reluctant to extend or renew your loan.

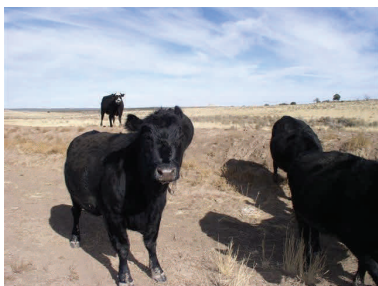
Guaranteed Loans have a maximum limit of \$1,302,000. This makes the maximum combination of direct and guaranteed loan indebtedness \$1,602,000.

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.

### **MARKETING ASSISTANCE LOANS (MAL)**

Short-term financing is available by obtaining low interest commodity loans for eligible harvested production. A nine-month Marketing Assistance Loan provides financing that allows producers to store production for later marketing. The crop may be stored on the farm or in the warehouse.

Loans are available for producers who share in the risk of producing the eligible commodity and maintain beneficial interest in the crop through the duration of the loan. Beneficial interest means retaining the ability to make decisions about the commodity, responsibility for loss because of damage to the commodity and title to the commodity. Once beneficial interest in a commodity is lost, it is ineligible for a loan, even if you regain beneficial interest.



### **Selected Interest Rates for July 2013**

90-Day Treasury Bill	.125%
Farm Operating Loans — Direct	1.25%
Farm Ownership Loans — Direct	3.25%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	2.25%
Farm Storage Facility Loans (7yrs)	1.5%
Commodity Loans 1996-Present	1.125%



Left to Right:  
Joseph Plant and Allen Mackrain

### WELL WORKING AGAIN

On January 17, 2013 the Farm Service Agency introduced a new loan designed to assist small farmers and ranchers to secure loans under \$35,000. FSA's microloans provide start-up funding through a less burdensome, more simplified application process.

Joseph Plant, lived on a farm all his life. In 2012 he purchased his own farm and has been producing alfalfa. Mr. Plant is involved in FSA's Direct and Counter Cyclical Program (DCP) and Farm Loan Programs.

Early this year Mr. Plant's well broke down and he did not know what was going to happen to his alfalfa field. The Microloan program was a perfect fit for his situation. When he was visiting the Torrance-Santa Fe County Office he heard of a new simple loan process that would assist him in repairing his well. "The microloan program helped me replace 300 feet of tubing and shafting in my irrigation well" said Joseph Plant. After Mr. Plant received the loan he was pumping water within 3 days of the driller starting the project. He is pumping water and the alfalfa is green.



"I really appreciate the microloan process that helped me repair my well and saved my alfalfa season" he said.

### MICROLOAN PROGRAM

The Farm Service Agency (FSA) developed the Microloan program to better serve the unique financial operating needs of beginning and the smallest of family farm operations.

The program operates similar to the Operating Loan program but will include reduced requirements for managerial experience and loan security, as well as reduced paperwork.

Eligible applicants may obtain a microloan for up to \$35,000. The repayment term may vary and will not exceed seven years. Annual operating loans are normally repaid within 12 months or when the agricultural commodities produced are sold. Interest rates will be the same as the regular Direct Operating Loan rates.

### RANCHER CONTINUES OPERATION THANKS TO FSA

In 2011, the Las Conchas Fire burned 150,000 acres of the Santa Fe National Forest and threatened the Los Alamos National Laboratory and the town of Los Alamos.

Many ranchers lost their herds and livestock as a cause of the Las Conchas Fire. During the fire, FSA's Livestock Indemnity Program (LIP) provided significant relief to many ranchers across New Mexico.



Jose Juarez

Jose Juarez was one of the ranchers who was grazing his cattle on the Forest Service when the fire started. As part of the U.S. Forest Service's safety regulations, Mr. Juarez was not allowed to retrieve his cattle. This resulted in a majority of his cattle falling victim to the fire. Mr. Juarez learned more about FSA programs at an outreach event in Sandoval County. Shortly after the meeting he applied for LIP and also enrolled in Non-Insurable Crop Disaster Assistance Program (NAP). "LIP provided me with the means to continue my operation" said Mr. Juarez.



### MODERNIZE & INNOVATE THE DELIVERY OF AGRICULTURAL SYSTEMS (MIDAS)

MIDAS will benefit FSA customers, farmers, ranchers, and USDA stakeholders by improving the delivery of agricultural services through reliable, secure, and modern technology. The program's structure was largely developed based on feedback from the USDA field office employees and producers throughout a series of 22 listening sessions across ten different states. Their input validated the need for improved systems and paved the direction for the future of MIDAS. Upon achievement of MIDAS these stakeholders will experience improved customer service less redundancy of data submission, expedited program implementation, and integrated compliance.

"I would like to thank the NM MIDAS team for all their hard work! They have worked hard getting NM FSA ready for the implementation of MIDAS" said Lawrence Rael, NM FSA State Executive Director.

### SPECIAL THANKS TO OUR NM STATE MIDAS TEAM:

Joilynn Garcia, NM State Office Program Specialist  
Jordanna Gurule, Sierra County executive Director  
Perri Jennings, De Baca County Program Technician  
Brandon Terrazas, NM State Office Program Specialist



# USDA StrikeForce

Rural Americans face many unique challenges and every day, the U.S. Department of Agriculture provides assistance to help rural communities prosper. Unfortunately, 90 percent of America's persistent poverty counties are in rural America – and we can't allow these areas to be left behind.

In 2010, USDA launched the StrikeForce for Rural Growth and Opportunity – an effort to leverage partnerships in poverty-stricken rural areas to ensure that every community has equal access to USDA programs.

## ENCOURAGING GROWTH, CREATING OPPORTUNITY, INCREASING PARTICIPATION

USDA's StrikeForce aims to increase investment in rural communities through intensive outreach and stronger partnership. USDA partners with rural communities and regions on locally-supported projects. USDA takes steps, in partnership with the community, to provide technical assistance and explanation as needed to ensure that communities can fully access USDA programs.

Local Community Based Organizations are critical to this effort. Since 2010, USDA has partnered with over four hundred of these organizations – congregations, volunteer organizations, nonprofits and others.



In New Mexico, USDA is increasing homeownership opportunities for families living in the Colonias communities of Luna, Hidalgo and Dona Ana Counties along the U.S./ Mexico border. USDA worked with Southwest Regional Housing and Community Development Corporation and Tierra del Sol Housing to increase the number of USDA home loans provided in these areas from 22 in 2011 to 58 in 2012 and already has 36 loans completed in 2013.

StrikeForce is helping New Mexico's children get a healthy meal when school's out. USDA partnered with New Mexico Collaborative to End Hunger, Share Our Strength and Dairy Max to fund its first mobile Summer Food Service Program bus, delivering meals to 45,000 children each summer week-day at 700 partner sites.

## NEW MEXICO STRIKEFORCE

New Mexico's StrikeForce efforts have helped FSA, Natural Resource Conservation Service (NRCS), and Rural Development (RD) improve our outreach efforts. "Though we have been successful in the past, recent progress has shown that there are more people to reach", said Lawrence Rael, FSA State Executive Director. Many community based organizations, faith based organizations, and other groups have responded favorably to the FSA, NRCS, and RD working together. There have been moments during our community meetings where the agencies have synergistically worked together to address client issues on site.

One such interagency collaboration that has been demonstrated recently is a partnership between FSA and NRCS to assist groups of producers that irrigate off of traditional Acequias to submit applications for the Environmental Quality Incentive Program (EQIP). Through this Acequia initiative, multiple workshops have been held around the state to educate these producers about the EQIP program and also about the application process. The collaboration between these two agencies gives the producers the benefit of learning more about EQIP while also learning FSA's eligibility process regarding farm records, AGI provisions, and other FSA programs.

"The Acequia Initiative, along with many others, are StrikeForce projects that will assist USDA to direct additional resources to better serve our farmers, ranchers, and producers in persistently poor rural communities," said Rael. "We are focusing on these identified high poverty areas to help improve the quality of life of farmers, ranchers, producers and their communities."



## GETTING INVOLVED

As USDA's StrikeForce for Rural Growth and Opportunity expands in 2013, we foresee many new partnerships ahead. You can learn more about the USDA StrikeForce for Rural Growth and Opportunity at [www.usda.gov/strikeforce](http://www.usda.gov/strikeforce). You can also contact New Mexico's FSA StrikeForce coordinator: Veronica Tribbet at (505) 761-4900.

## **DIRECT AND COUNTER-CYCLICAL PROGRAM (DCP SIGN-UP**

### **CLOSES AUGUST 2ND**

Producers are encouraged to sign up for the Direct and Counter-cyclical program (DCP) before the August 2, 2013, deadline.

The 2013 DCP and ACRE program provisions are unchanged from 2012, except that all eligible participants in 2013 had the option to enroll in either DCP or ACRE for the 2013 crop year. This means that eligible producers who were enrolled in ACRE in 2012 had the opportunity to re-enroll in ACRE for 2013 before the June 3, 2013 deadline or they can still enroll in DCP through August 2, 2013.

Eligible DCP participants receive a direct payment and/or a counter-cyclical payment. Direct payment rates are established by statute regardless of market prices. Counter-cyclical payments vary depending on market prices, and are issued only when the effective price for a commodity is below its target price (which takes into account the direct payment rate, market price and loan rate).

### **FARM RECONSTITUTIONS**

When changes in farm ownership or operation take place, a farm *reconstitution* is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

The following are the different methods used when doing a farm recon. Remember, to be effective for the current year, recons must be requested by August 1 for farms enrolled in the Direct and Counter-Cyclical Program.

**Estate Method** — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

**Designation of Landowner Method** — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

**DCP Cropland Method** — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

**Default Method** — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

### **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.

## **FARM STORAGE FACILITY LOAN PROGRAM**

The Farm Storage Facility Loan Program (FSFL) 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. Additional security is required for poured-cement open-bunker silos, renewable biomass facilities, cold storage facilities, hay barns and for all loans exceeding \$50,000. New loan terms of seven, ten 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 Treasury Department.

Payments are available in the form of 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 following commodities are eligible for FSFL:

- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain
- Pulse crops - lentils, small chickpeas, dry beans and dry peas
- Hay
- Renewable biomass
- Fruits (including nuts) and vegetables - cold storage facilities
- Honey

### **HIGHLY ERODIBLE LAND AND WETLAND COMPLIANCE**

Landowners and operators are reminded that in order to receive payments from USDA, they must be compliant with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions. Farmers with HEL determined soils must apply tillage, crop residue and rotation requirements as specified in their conservation plan.



Producers should notify FSA prior to conducting land clearing or drainage projects to ensure compliance. If you intend to clear any trees to create new cropland, these areas will need to be reviewed to ensure any work will not jeopardize your eligibility.



Landowners and operators can complete form AD-1026 Highly Erodible Land Conservation (HEL) and Wetland Conservation (WC) Certification to determine whether a referral to Natural Resources Conservation Service (NRCS) is necessary.



### **ACREAGE CERTIFICATION**

After spring planting, producers should certify their 2013 acreage. Filing an accurate acreage report for all crops and land uses, including failed acreage and prevented planting acreage, can prevent the loss of benefits for a variety of programs.

Failed acreage must be reported within 15 days of the disaster event and before disposition of the crop. Prevented planting must be reported no later than 15 days after the final planting date.



### **FILING FOR NAP LOSSES**

The CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. Timely filing a Notice of Loss is required for all crops including grasses. For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP) and crop insurance, you must file a CCC-576, Notice of Loss, in the FSA County Office within 15 days of the occurrence of the disaster or when losses become apparent.

If filing for prevented planting, an acreage report and CCC-576 must be filed within 15 calendar days of the final planting date for the crop.

### **COMPLIANCE SPOT CHECKS**

Compliance spot checks will be conducted on 2013 crops. Instead of locally selecting farms, contracts, deficiency loans, etc. for review, a nationwide selection of producers is employed. Spot check selections are to be conducted based on a producer's participation in Conservation Reserve Program, Direct and Counter-cyclical Program, Loan Deficiency Program, etc.

### **FOREIGN BUYERS NOTIFICATION**

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. Agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA.

All individuals who are not U.S. citizens, and have purchased or sold agricultural land in the county are required to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form (FSA-153) could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, Realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

### **FARM SAFETY**

Summer is an exciting and hectic time on New Mexico's farms. New Mexico FSA employees care about our customers, and want to remind them to practice farm safety.

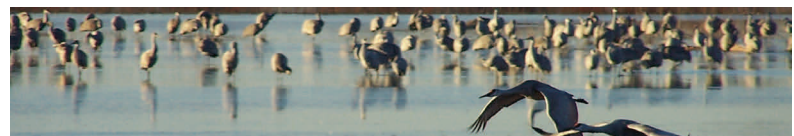
Remember to: Walk around machinery and check shields and guards; make sure the PTO's master shield is in place; make sure Slow Moving Vehicle signs are on machinery.

If you are taking medicine, take it at the appropriate time and eat on schedule.

If you are working in grain bins know that flowing grain can kill, and it can kill quickly. It takes less than five seconds for a person caught in flowing grain to be trapped. Try not to work alone in bins or confined spaces, and if that's not possible let someone know where you are by checking in regularly by cell phone.

The American Society of Safety Engineers (ASSE) offers the following safety tips for farmers:

1. Educate yourself on farm equipment. Read and follow instructions according to the equipment's manuals about safety.
2. Conduct regular equipment inspections.
3. Don't wear loose clothing while entering confined spaces such as grain bins, silos and hoppers as this can prevent entanglements.
4. Install Rollover Protective Structures (ROPS) on tractors.
5. Use seat belts while operating tractors with a ROPS. Do not allow additional passengers on the tractor with you.
6. While operating tractors and other farm equipment, be very cautious on rural roadways.
7. Use protective gear when operating machinery: Be familiar with hazardous chemicals. Take extra precaution when handling chemicals such as anhydrous ammonia, carbon dioxide, methane gas and hydrogen sulfide.
8. Consistently educate your family and co-workers about safety practices, especially children.



### **SUCCESSOR-IN-INTEREST**

Many FSA programs will allow payments to be made to heirs or successors when a program participant passes away. Additionally, contracts in programs such as CRP must be revised to reflect the successor(s) to a deceased participant's interest.

In the event of an FSA program participant's death, it is important that FSA be notified. Entities and joint operations that participate in FSA programs also need to notify FSA if a shareholder or member passes away. FSA benefits are reported to IRS and maintaining current, accurate records about participants is vital to ensuring that those payments are reported correctly.

County FSA Office	Phone Number
Chaves	(575) 622-8745
Colfax	(575) 445-9471
Curry	(575) 762-4769
De Baca	(575) 355-2448
Dona Ana	(575) 522 8775
Eddy	(575) 887-3506
Guadalupe	(575) 472-5402
Harding	(575) 485-2294
Hidalgo	(575) 542-3241
Lea	(575) 396-5857
Luna-Grant	(575) 546-9291
McKinley	(505) 722-9060

County FSA Office	Phone Number
Otero-Lincoln	(575) 437-3100
Quay	(575) 461-3612
Rio Arriba	(505) 753-3508
Roosevelt	(686) 356-6629
San Juan	(505) 334-3090
San Miguel-Mora	(505) 425-7812
Sierra	(575) 894-2563
Socorro-Catron	(575) 835-1710
Taos	(575) 758-3863
Torrance-Santa Fe	(505) 384-2272
Union	(575) 374-9461
Valencia-Cibola- Bernalillo-Sandoval	(505) 865-4643