



May 2012

Maine State FSA Office

Donovan E. Todd
State Executive
Director

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Hours

Monday - Friday
8:00 a.m. - 4:30 p.m.

Maine FSA Staff

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Maine State Committee

Annie Allen, Chair
Anthony Carroll
Jackie Lundeen
Sandra Nutting
Ralph Turner

Women in Agriculture meet with USDA officials in Scarborough

Joani Walsh, Deputy Undersecretary for Marketing and Regulatory Programs hosted a roundtable discussion primarily focused on identifying concerns from women in the farming sector and how the federal government could support their efforts to create jobs and be competitive in the economy. On April 18, 2012 women in all aspects of agriculture held a listening session in Scarborough at the USDA Service Center.



Left to Right: Bill Bailey, Claudia Raessler, Bev Stone, RD, Joani Walsh, Deputy Undersecretary for Marketing and Regulatory Programs, USDA, Don Todd, State Executive Director, FSA.

There were a number of themes that came out of the meeting including how beginning farmers could get more support as they take over



Left to Right: Gray Harris, CEI, Joani Walsh, Deputy Undersecretary for Marketing and Regulatory Programs USDA, Sandra Nutting, Androscoggin Holsteins, Marge Kilkelly, Dragon Fly Farm, Lisa Turner, Laughing Stock Farm.

operations from retiring farmers. With the aging population in Maine this issue has really come to the forefront. Another theme was that women in the sector see a need for support of the full supply chain and to promote local and regional access to markets. Walsh addressed the group and told them she planned to bring the concerns raised back to the USDA in order to keep officials there plugged in to the on-the-ground needs of women in farming.

From the Desk of the State Director:

don.todd@me.usda.gov

The Washington County Service Center in Machias has moved to 8 M & M St, Suite 5A, Machias, ME 04654. They were formerly located on Court St in Machias. Along with the Farm Service Agency Office (FSA), the Natural Resources Conservation Service (NRCS) and the Washington County Soil and Water Conservation Service (SWCD) are housed in this building as well. The Farm Service Agency phone number remains the same, 255-3612 ext. 2.

If you have any questions, please call Amanda May or stop by and check out their new place!



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 15, 2012 through August 1, 2012. FSA encourages all eligible producers to nominate themselves, or another eligible producer, to run for office. Nomination forms (FSA-669-A's) are available:

- At <http://www.usda.gov/elections>, and scroll down to the links under "Election Materials" and CLICK : **"2012 Nomination Form"**
- By picking up a FSA-669-A at your local FSA office
- By calling your local office and requesting FSA-669-A be sent to you.

New Continuous CRP Initiative

FSA has announced a new conservation initiative to protect up to 750,000 acres of the nation's most highly erodible croplands. This initiative will assist producers with targeting their most highly erodible cropland (land with an erodibility index of 20 or greater) by enabling them to plant wildlife-friendly, long-term cover through the Conservation Reserve Program (CRP).

(cont'd next column)

New Continuous CRP (cont'd from previous column)

Producers can enroll land on a continuous basis beginning this summer at their local Farm Service Agency (FSA) county office. With the use of soil survey and geographic information system data, local FSA staff can quickly determine a producer's eligibility for the initiative.

MILC Program Requirements Reminder

Dairy producers must meet program requirements in order to maintain eligibility in the event that prices drop and trigger a MILC payment.

To maintain program eligibility, MILC participants must notify their local FSA office of any operation changes, such as a change in producer, shares, address or bank routing number. In order for dairy producers to receive a MILC payment, they must meet adjusted gross income (AGI) requirements by completing, "CCC-931 - AGI Certification and Consent to Disclosure of Tax Information."

Dairy producers who want to enroll in MILC must fill out, "CCC-580 - Milk Income Loss Contract" and select a start-month for which the Commodity Credit Corporation (CCC) will begin issuing payments to the dairy operation. Current dairies that participate in MILC can make changes to their start-month with certain restrictions.

Any start-month changes must be made on or before the 14th of the month before the selected MILC production start-month. The change must also be made before requesting payment and before the original MILC production start-month has passed.

Changes to the dairy operation start-month must be designated on FSA's form, "CCC-580M - Milk Income Loss Contract (MILC) Modification."

For more information about the MILC program, please contact your local FSA office or visit the web at: www.fsa.usda.gov/me.

FSA county offices are taking appointments for producers to sign up and report acres. Contact your local county office as soon as possible to make an appointment.

Crop Reporting Dates	
Barley, Corn Fresh Market Sweet Corn, Green Peas, Oats, Potatoes, Spring Wheat, and all other crops	July 15, 2012
Forage Seeding	August 15, 2012
Perennial Forage, Fall-Seeded Small Grains	December 15, 2012
Apples, Blueberries	January 15, 2013

Hispanic and Women Farmers

A process to resolve the claims of Hispanic and women farmers and ranchers who believe they were discriminated against when seeking USDA farm loans has been established.

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.

For additional information on this and other settlement issues contact:

Hispanic and Women Farmer Claims Process:

www.farmerclaims.gov or call 1-888-508-4429

Pigford – The Black Farmers Discrimination Litigation:

www.blackfarmercase.com or call 1-866-950-5547

Keepseagle – The Native American Farmers Class Action Settlement:

www.IndianFarmClass.com or call 1-888-233-5506

DCP-ACRE Sign-Up

2012 Direct and Counter-Cyclical Program (DCP) enrollment runs from Jan. 23, 2012 through June 1, 2012. Here are some IMPORTANT REMINDERS:

- All producers planting on **DCP base** acres must be identified on the DCP/ACRE contract and receive a proportionate share of DCP/ACRE payment for the farm.
- Changes on the farm after enrolling June 1st in DCP/ACRE **must** be reported to your local FSA office such as:
 - Ownership changes
 - Producer changes (Individuals and Entities)
 - Change in crop shares arrangements

Note: Changes cannot be made after Sept. 30, 2012.

Dates to Remember	
June 1	DCP Sign-up Ends
June 1	Last day to notify FSA of farm record changes for 2012
July 15	Acreage Reporting
July 15	NAP production reporting deadline for 2011 production.

Acreage Certification

Time is nearing for producers to certify their 2012 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.

Acreage reports are required for many FSA programs. For crops enrolled in programs other than NAP (Noninsured Crop Disaster Assistance Program), acreage reports are to be certified by the July 15, 2012 deadline. See the "Dates to Remember" chart for all acreage reporting dates.

Acreage reports on crops covered by NAP are due in the county office by the earlier of July 15, 2012, or 15 calendar days before the onset of harvest or grazing of the specific crop acreage being reported.

Gov Delivery

The USDA Farm Service Agency offices are moving toward a paperless operation. Producers are asked to enroll in the new GovDelivery system which will provide notices, newsletters and electronic reminders instead of a hard copy through the mail.



FSA, like many other organizations, is trying to work smarter and be more efficient. Moving to electronic notifications via email will help conserve resources and save taxpayer dollars. County Committee ballots will continue to be mailed to all eligible producers.

Producers can subscribe to receive free e-mail updates by going to <http://www.fsa.usda.gov/subscribe>.

USDA is an equal opportunity provider and employer. 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).

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 Aug. 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.

If DCP direct payments have already been issued on a particular farm, the reconstitution will be effective for the next year, unless the payments are refunded.



Land Contract (LC) Guarantee Program

The Farm Service Agency (FSA) makes loans through the Land Contract (LC) Guarantee Program. The LC Guaranteed Loans will be offered to the owner of a farm who wishes to sell real estate through a land contract to a beginning farmer or a farmer who is a member of a socially disadvantaged group.

A land contract is an installment contract between a buyer and a seller for the sale of real property, in which complete ownership of the property is not transferred until all payments under the contract have been made.

Guarantees can be used for financing the purchase of a farm with a purchase price up to \$500,000 on a new land contract. FSA offers two types of guarantees under this program.

Prompt Payment Guarantee: A guarantee of up to the amount of three amortized annual installments plus the cost of any related real estate taxes and insurance; or

Standard Guarantee: A guarantee of 90 percent of the outstanding principal balance under the land contract.

To find out if you qualify contact your local FSA office today or see additional information, including a complete list of borrower and seller eligibility criteria and application materials through the FSA website at www.fsa.usda.gov.

Equine Operations Now Eligible for Emergency Loans

Equine operations whose primary enterprise is to breed, raise and sell horses are now eligible for loan assistance under FSA's emergency loan program. Emergency loans are part of the farm safety net that will assist eligible producers who suffer losses due to drought, flooding, quarantine or other natural disasters.

Emergency loan funds may be used to:

- Restore or replace essential property;
- Pay all or part of production costs associated with the disaster year (the calendar year in which the disaster occurred);
- Pay essential family living expenses;
- Reorganize the farming operation; and
- Refinance certain debts.

Emergency loans can be made to farmers and ranchers who own and operate land in a county or contiguous county declared by the President or designated by the Secretary of Agriculture as a disaster area. Producers can borrow up to 100 percent of actual production or physical losses up to a maximum of \$500,000. Terms of the loans include an interest rate of 3.75 percent and repayment over a period of one to 40 years depending on the nature of the loss and the collateral available to secure the loan.

Rural Youth Loans

The Farm Service Agency makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization's 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.

Summary of FLP Activity for FY 12

81	Direct Operating Loans	\$ 4,153,000
5	Guaranteed Operating Loans	\$ 473,000
5	Direct Farm Ownership	\$ 879,600
4	Guaranteed Farm Ownership	\$ 1,665,000
95	Total Loans	\$ 7,170,660

Selected Interest Rates for May 2012

90-Day Treasury Bill	0.125
Farm Operating - Direct	1.50
Farm Ownership - Direct	3.50
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50
Emergency	3.75
Farm Storage Facility—7 Year	1.50
Farm Storage Facility—10 Year	2.125
Farm Storage Facility—12 Year	2.375
9 Month Commodity Loan	1.125

Changing Banks

Almost all Farm Service Agency payments are made electronically using Direct Deposit.

To keep the system running smoothly, it's critical to keep the county office staff up to date on changes you might make in your financial institutions.

If you have changed accounts or institutions that might affect the direct deposit of your FSA payments, contact the FSA county office so we can update our files to insure continued uninterrupted service.

NAP Records

Production records for individual crops need to be filed at the FSA office to establish an approved NAP yield. If this is the first year you participated in NAP, you can provide production and acreage information from prior years to establish your yield. If you participated in NAP in previous years, you must report your production and acreage on a yearly basis to keep your yield up-to-date. Records submitted must be reliable or verifiable. Records need to show crop disposition. We recommend producers submit production records as soon as harvest is complete. **All production records must be submitted by the subsequent crop year's final acreage reporting date.**

NAP Loss Filing

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.

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 and permanent drying and handling equipment. New loan terms of 7, 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 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 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 county office or www.fsa.usda.gov.



Farm Record Changes

June 1, 2012 is the deadline to provide changes to your farm records at the local FSA office for the 2012 crop year. If you are changing your operation entity type, adding or dropping cropland or farms, or adding entities to your operation, contact the FSA county office by June 1.