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Farm Service Agency Electronic News Service

BULLETIN

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- A Note from CED Pam Smith:
- Guaranteed Loan Program
- Farm Reconstitutions

Campbell County FSA Updates

Campbell County FSA Office
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Phone: 307-682-8843
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County Executive Director:
Pam Smith

Farm Loan Manager:
Rob Weppner

Program Technicians:
Judy Bishop
Amber Fowlkes
Claudette Vander Voort

County Committee:
Chuck Tweedy, Chairman
Travis Busenitz, Vice-Chairman
Jody Cheser, Member

A Note from CED Pam Smith:
USDA Service Centers Taking Precautionary Measures to Help Prevent the Spread of Coronavirus

U.S. Department of Agriculture Service Centers are encouraging visitors to take proactive protective measures to help prevent the spread of coronavirus.

As part of our commitment to farmers and ranchers, USDA Service Centers will continue to be open for business by phone appointment only and field work will continue with appropriate social distancing. While our FSA and NRCS program delivery staff at the Service Centers will continue to come into the office, they will be working with our producers by phone, and using online tools whenever possible.

Producers can find their Service Center’s phone number at farmers.gov/service-center-locator and more information about Coronavirus and USDA Service Centers at https://www.farmers.gov/coronavirus.
Guaranteed Loan Program

FSA guaranteed loans allow lenders to provide agricultural credit to farmers who do not meet the lender’s normal underwriting criteria. Farmers and ranchers apply for a guaranteed loan through a lender, and the lender arranges for the guarantee. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. Guaranteed loans can be used for both farm ownership and operating purposes.

Guaranteed farm ownership loans can be used to purchase farmland, construct or repair buildings, develop farmland to promote soil and water conservation or to refinance debt. Guaranteed operating loans can be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance and other operating expenses.

FSA can guarantee farm ownership and operating loans up to $1,776,000. Repayment terms vary depending on the type of loan, collateral and the producer’s ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your lender or local FSA farm loan office for more information on guaranteed loans.

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.

To be effective for the current Fiscal Year (FY), farm combinations and farm divisions must be requested by August 1 of the FY for farms subject to the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. A reconstitution is considered to be requested when all:

- of the required signatures are on FSA-155
- other applicable documentation, such as proof of ownership, is submitted.

Total Conservation Reserve Program (CRP) and non-ARC/PLC farms may be reconstituted at any time.

The following are the different methods used when doing a farm recon:

**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.

Persons with disabilities who require accommodations to attend or participate in this meeting should contact Pam Smith at 307-682-8843 extension 2 or Federal Relay Service at 1-800-877-8339.

USDA is an equal opportunity provider, employer and lender. 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).