



Important Dates calendar for FSA Programs

Final Availability Dates for 2009 Crop Loans and LDP's:

- 31-Jan Peanuts, Wool, Mohair
- 31-Mar Wheat, Barley, Oats, Honey, Sesame, Canola
- 31-May Cotton, Corn, Grain Sorghum, Soybeans, Sunflower Seeds

NAP Insurance Sales Closing Dates:

- 1-Dec Honey
- 31-Jan All annually planted crops, both spring and fall
- 15-Aug Perennial crops, forage crops for hay and grazing, carrots, and all value loss crops

Additional Program Deadlines:

- Now Inquire and Sign-up CRP Continuous Practices such as Riparian Buffers
- Now Emergency Conservation approved applicants -- report completed practices to FSA
- 30-Jan Deadline to file Application for Payment for 2009 Livestock Forage Program (Eligible Counties ONLY)
- 30-Jan Deadline to file Application for Benefits for 2009 Emergency Assistance Program for Other Livestock, Bees, and Farm-raised Fish
- 1-Mar Deadline to timely report Fall-Seeded crops as well as Winter and early-season Spring Fruit and Vegetable Crops
- 1-Apr - 31-Aug CRP Nesting Season
- 1-Jun Deadline to report Tobacco planted acreage
- 1-Jun Deadline to enroll into Direct and Counter-Cyclical Program (DCP)
- 15-Jun County Committee nomination period begins. Nomination forms (FSA-669) are available online at <http://www.fsa.usda.gov/FSA/webapp?area=newsroom&subject=landing&topic=cce> as well as from your local FSA Office
- 15-Jun The consent forms, CCC-927, "2009 and/or 2010 Consent To Disclosure of Tax Information-Individual," and/or CCC-928, "2009 and/or 2010 Consent To Disclosure of Tax Information-Legal Entity," should be **mailed directly to IRS** at the address given on the form
- 15-Jul Deadline to report Spring and Summer-seeded planted acreage
- 1-Aug Deadline for requesting the reconstitution of a farm with crop bases
- 1-Nov Deadline to initiate "Successor In Interest" transfers for Tobacco Transition Buy-out contracts with approved buyers as well as initiating contract transfers between immediate family members

NOTE: If the crop being reported has NAP coverage, the final date to timely report the acreage is 15 days PRIOR to the onset of harvest or grazing. It is important for producers to remember that crops with NAP coverage will usually have a NAP crop reporting date EARLIER than the regularly established reporting dates for crops without NAP coverage.

Present Emergency Loan Application Deadlines in Georgia:

- 24-May-10 Designation M1858 in 13 counties due to severe storms and flooding
- 25-May-10 Designation M1858, Amend. 1, in 14 counties due to severe storms and flooding
- 25-May-10 Designation M1858, Amend. 2, in 7 counties due to severe storms and flooding
- 25-May-10 Designation M1858, Amend. 3, in 24 counties due to severe storms and flooding
- 26-May-10 Designation M1858, Amend. 4, in 16 counties due to severe storms and flooding
- 28-May-10 Designation M1858, Amend. 5, in 6 counties due to severe storms and flooding
- 1-June-10 Designation M1858, Amend. 6, in 24 counties due to severe storms and flooding
- 4-Aug-10 Designation S2946 in 57 counties due to severe storms and flooding
- 9-Aug-10 Designation S2953 in 6 counties due to excessive rain, extensive flooding and cooler than normal temperatures
- 23-Aug-10 Designation S2956 in 17 counties due to excessive rain, flooding and flash flooding
- 31-Aug-10 Designation M1870 in 4 counties due to severe storms and flooding
- 8-Sept-10 Designation M1870, Amend. 1, in 3 counties due to severe storms and flooding
- 29-Sept-10 Designation S2971 in 10 counties due to record cold weather, frost, and freezes
- 4-Oct-10 Designation M1871 in 1 county due to severe winter storms and flooding
- 2-Nov-10 Designation S2979 in 156 counties due to excessive rainfall

NOTE: All producers are encouraged to contact their local FSA office for information specific to the Emergency Loan Program and to determine whether their counties are declared under a certain designation.



Director's Message



The article below appeared in "The Natchez Democrat," Natchez, Mississippi, on Sunday, February 21, 2010, and I thought it worth sharing with you.

Farm subsidies more than welfare for farmers [This article was written by [Vershah Hogan](#) and published in the "The Natchez Democrat" (Natchez, Mississippi) on Sunday, February 21, 2010.]

It's a punch line for comedians and an easy target for politicians, but local farm officials and farmers say the U.S. Farm Bill often helps keep farmers afloat during tough times. The stated purpose of the Farm Bill is to provide a sustainable food supply for the United States at an affordable price, and one of the ways it does that is through programs that are commonly known — rightly or wrongly — as farm subsidies.

"You hear pros and cons of the thing, but you have got to look at the big picture," local farmer Ross McGehee said. "It guarantees your ability to stay in business because you have a certain amount of expenses, and it makes sure you can pay your bills at the end of the year."

Production costs have quadrupled in the last 20 years, but McGehee said commodity prices are the same as when Richard Nixon was president. The programs most people know as farm subsidies are income support and price support programs, Adams County Farm Service Agency Director Stacy McKay said.

"Not a lot of farmers can withstand major swings in commodity prices and still be able to pay the bills and stay in business over the long run, so that is the purpose of these (Farm Bill) programs, to help provide that," McKay said. And keeping those farmers in business has, in the long run, accomplished the goal of the Farm Bill, Adams County Extension Director David Carter said.

"Basically, around the world some countries spend 60 to 80 percent of their income on food," Carter said. "In the U.S., we spend closer to 10 percent. Without those subsidies, it would cost the consumer a whole lot more to buy the food they get."

The farm subsidies also help American farmers compete on a level playing field with the rest of the world, Concordia Parish Extension Service Director Glen Daniels said. "The cost for production is not equal — in some countries they only pay a dollar a day for workers," Daniels said. "It puts our farmers at a disadvantage because (overseas) they can produce stuff cheaper and sell it at a lower rate."

And while advocates can talk about why it's important for the Farm Bill programs to exist, it's a little harder to explain them. "It is a complex document, for sure," McGehee said.

Programs

The Farm Service Agency, which has oversight from the U.S. Department of Agriculture, oversees 43 income support and loan programs. Some loan funds are for things like boll weevil eradication, others offer low-interest loans for farmers who want to build agriculture-related structures, and others help American Indian tribes purchase farmland within their tribal boundaries. Still others can be taken out to buy farm equipment and seed. But a loan is a loan, and it has to be paid back. What about subsidies?

(Continued on page 8)

Georgia State FSA Newsletter

State Executive Director
Hobby Stripling

Administrative Officer:
Kula C. Moore

Farm Loan Programs:
David F. Laster

**Production Adjustment/Conservation/
Common Provisions Section:** Brett M. Martin

Price Support/Compliance/GIS Section:
Clark E. Weaver

State Outreach Coordinator:
Neal C. Leonard, Jr.

Newsletter Editor:
Elaine P. McGarity

**For information, please first contact your
local FSA County Office.**

Georgia FSA State Office
355 E. Hancock Avenue
Mail Stop 100
Athens, Georgia 30601
(706) 546-2266

The USDA Farm Service Agency (FSA) is the main source for information contained in this educational newsletter. Eligibility and participation for all FSA programs is determined in accordance with FSA rules and regulations. Contact your local FSA Service Center to determine program eligibility.

The Georgia Farm Service Agency State Newsletter is published by the Georgia FSA State Office. Contact your local USDA Service Center - Farm Service Agency listed in the phone book, weekdays 8:00 a.m. - 5:00 p.m. to obtain a free subscription, make address corrections, or be removed from the mailing list.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

Persons with disabilities who require accommodations to attend or participate in any meeting/event/function should contact Kula C. Moore, 706-546-2269.

Obama Administration Names Appointees to USDA's Farm Service Agency State Committee in Georgia

On February 4, 2010, the Obama Administration announced the individuals who will serve on the Georgia Farm Service Agency State Committee. The State Committee members will oversee the activities of the agency, including carrying out the state agricultural conservation programs, resolving appeals from the agriculture community and helping to keep producers informed about FSA programs.

"These individuals will work with USDA to help farmers and ranchers build and maintain successful operations that produce the safe, nutritious food supply that America needs while spurring economic development in our nation's rural communities," said Agriculture Secretary Tom Vilsack. "They bring the experience and passion necessary to help continue the Obama Administration's efforts to rebuild and revitalize rural America."

The individuals appointed to serve on this committee include:

Ronald C. Lee (Chairperson) owns and operates RCL Farms, a family farming operation. Lee has been involved in agricultural production since 1982. In 2004, he was named the Terrell County Soil Conservationist of the Year. He has also served on the Georgia Feed and Grain Association Board of Directors and the Terrell County School Board. He was recently a member of the Board of Directors of Cotton Incorporated. Mr. Lee attended the Abraham Baldwin Agricultural College.

Fred Harrison Jr., from Winterville, GA., is the Dean Emeritus of the College of Agriculture, Home Economics and Allied Programs at Fort Valley State University. Before assuming his position as Administrator/Director of the Cooperative Extension Program at The Fort Valley State College, Harrison served the College as Interim Dean of the School of Agriculture, Home Economics, and Allied Programs. He was also presented the 2003 Award of Excellence by the University of Georgia College of Agricultural and Environmental Sciences Alumni Association. Dr. Harrison was a member of the Georgia Rural Development Council and received a Ph.D. from Ohio State University in 1979 in Extension Program Development, Administration, and Community Resource Development.

Jerome Tucker was born and raised on a farm in south Lowndes County. His family raised tobacco, cotton, truck-farmed and owned 125 sow, pasture-confined operation on his mother's family farm. Tucker's entire professional life has been associated with agriculture. His first job was the operation of a pre-packaging facility for the A&P grocery store chain, which at the time was the number two grocery chain in the country. Mr. Tucker's experiences range from operating a farm to the corporate business development of agriculture. He was the Plant Manager at the Great Atlantic & Pacific Tea Company as well as Chairman of the Southern Region American Red Cross Board of Directors.

Horace B. (Pete) Waller from Bloomingdale, GA., continues the family business as a third generation farmer. He owns and manages a 700 acre farm in Chatham County, which has been in operation for over 75 years. Waller was appointed by the Governor to serve on the Coastal Georgia Regional Water Planning Council. He also served as President of Coastal Georgia Resource Conservation and Development Council for nearly 14 years. Waller served in valuable roles in several other organizations, including the USDA Natural Resource Conservation Service (NRCS), helping secure \$22 million in federal funds to build irrigation ponds and conserve drinking water.

USDA's Farm Service Agency works to increase economic opportunity and improve the quality of life for rural Americans. Some of the agency's efforts include facilitating income support, disaster assistance and conservation programs, providing operating loans for the procurement of farm equipment, seed and fertilizer, as well as offering ownership loans to help new and veteran producers purchase a farm. FSA also works to procure various commodities to benefit low-income families through domestic food assistance programs.

Application Period Opens Back Up for ELAP *(Continued from page 4)*

soon as possible to inquire about eligibility for 2008 and 2009 bee and fish losses covered under ELAP.

The procedure for producers with current year (2010) losses remains unchanged. Policy requires that producers with 2010 losses must file a Notice of Loss within 30 days from the date of the loss and then submit an Application for Payment along with verifiable documentation to substantiate the loss no later than January 30, 2011. There is no provision for approving "late-filed" applications for 2010 losses submitted after this date.

All persons need to be aware there are certain specific eligibility requirements that must be met in order for producers to receive benefits under ELAP. Some of the primary requirements are: (1) insurance coverage on all crops grown on all of the producer's farms, (2) submission of verifiable documentation to substantiate the claimed loss, and (3) the loss must be the direct result of an eligible adverse weather event or eligible loss condition. There are other eligibility conditions that must also be met and interested persons are encouraged to contact their local FSA offices for details.

Persons interested in applying for benefits under ELAP for either prior year or current year losses should contact or visit their local FSA offices for further details.

Table of Contents

State Executive Director	page 2
FSA Information	page 3
Farm Programs	page 4
Farm Programs	page 5
Farm Loan Programs	page 6
Farm Loan Information Chart	page 7

Farm Programs

Price Support/Compliance/GIS ~ Clark Weaver, Chief

Report Livestock Losses Due to Adverse Weather Events

The Livestock Indemnity Program (LIP) provides assistance to eligible livestock producers that suffered livestock losses due to eligible adverse weather events such as, but not limited to, hurricanes, floods, blizzards, tornados, lightning, wildfires, disease (in limited cases) and extreme heat and cold, only if the temperatures are determined to be so extreme and abnormal they could reasonably be expected to be the direct cause of death. Drought is not an eligible cause of loss for LIP.

Generally speaking, livestock eligible for benefits under LIP include beef and dairy cattle, buffalo/beefalo, sheep, goats, deer, equine, swine, poultry, alpacas, emus, and llamas. Please be aware there are specific eligibility requirements for each of these types of livestock that also must be met.

Livestock producers that suffer livestock deaths in calendar year 2010 due to eligible adverse weather events are required to file a Notice of Loss as soon as possible after the deaths are discovered, but no later than 30 days after the date of the loss. In addition, an Application for Payment must also be submitted by January 30 of the year following the loss; for 2010 livestock losses, this means January 30, 2011. There are no provisions for approving "late-filed" applications received after the established deadline of January 30.

When filing an Application for Payment, the producer must also provide verifiable or reliable documentation to substantiate the livestock losses. It is vitally important that livestock producers understand that specific requirements must be met for the documentation to be considered acceptable under the provisions of this program. The best thing a livestock producer can do to insure the livestock deaths are verifiable is to contact their local FSA immediately upon discovering the loss of livestock. If the local FSA office is notified timely of the livestock death(s), FSA personnel can make a farm visit to verify the loss of livestock. It is important to note the local FSA office will not be able to verify the loss of livestock if the producer has already disposed of the remains of the livestock; so please contact your local FSA office immediately if there are livestock deaths you believe qualify for assistance under LIP.

Application Period Opens Back Up for Emergency Livestock Assistance Program (ELAP)

The Emergency Livestock Assistance Program (ELAP) provides assistance to eligible livestock owners, bee producers, and certain farm-raised fish producers that incur losses of purchased or produced feed and animal losses not covered by the Livestock

Indemnity Program (LIP) – see related article on LIP in this month's newsletter. Primarily, ELAP is available to provide assistance to livestock, bee and fish producers for losses not covered under LIP. However, just as with LIP, qualifying losses for ELAP must be due to eligible adverse weather events or conditions as determined by the Secretary of Agriculture.

Because of technical corrections made in the Federal Register to the policy provisions relating to ELAP, the application period for applying for assistance on 2008 and 2009 losses on bees and farm-raised fish covered under the ELAP program has been re-opened. Applications will continue to be accepted for prior year (08 & 09) bee and fish losses covered by ELAP up until 14 days after the revised regulations are published. NOTE: The publication date of these technical corrections is unknown at this writing. Therefore, it is suggested that interested persons visit their local FSA office as

(Continued on Page 3)

Cold Storage Facilities Now Eligible for USDA Facility Loan Program -- Producers Can Expand Market Opportunities, Build New Capacity

Agriculture Secretary Tom Vilsack recently announced that the Farm Storage Facility Loan program has been amended to allow producers to build cold storage facilities to store their fresh fruits and vegetables. This program is part of USDA's 'Know Your Farmer, Know Your Food' initiative and uses discretionary authority provided by the 2008 Farm Bill authorizing the eligibility of cold storage facilities for fruits and vegetables.

"Expanding the Farm Storage Facility Loan program will provide our nation's fruit and vegetable producers with new storage and marketing opportunities," Vilsack said. "On-farm storage may cost a lot to build, but it can help farmers to maximize profits. USDA's program will help these producers to finance the purchase, construction, or refurbishment of these important farm storage facilities."

(Continued on page 6)

File Prevented Planting Requests Timely

Farm Service Agency (FSA) recognizes there may be situations this planting season where an intended crop or field cannot be planted due to the wet conditions that exist in many areas of the state. Producers wanting to file prevented planting requests for crops or fields that could not be planted by the final planting dates, must file their request within 15 days of the final planting date as determined by the Risk Management Agency (RMA) for the intended crop in order to be considered "timely" filed. Requests filed after the 15 days period are considered "late-filed" and the producer must pay a late fee to cover the cost of a farm visit

(Continued on Page 5)

Farm Programs

Production Adjustment/Conservation/Common Provisions ~ Brett Martin, Chief

Termination of Biomass Conservation Assistance Program (BCAP)

The authority to obligate funds under the Notice of Funds Availability (NOFA) was terminated and rescinded effective COB February 3, 2010. No new applications for Collection, Harvest, Storage, and Transportation (CHST) matching payments approved by Farm Service Agency (FSA) County Committees will be made. FSA will continue to make payments for eligible material owner deliveries of eligible material covered by the matching payment requests approved by FSA COC before COB February 3, 2010.

On February 3, 2010, a proposed rule for BCAP was made available for public display at the Office of the Federal Register. The proposed rule was published in the Federal Register on February 8, 2010. The text of the Proposed Rule can be found on the FSA web site at: www.fsa.usda.gov/bcap.

FSA looks forward to the new BCAP as final regulations are developed. Future obligations of funds will be made under the BCAP final rule, which is expected to be published later this year.

File Prevented Planting Requests Timely

(Continued from page 4)

to verify that an eligible disaster condition prevented the crop or field from being planted.

It is important to note that “late-filed” prevented planting requests which are filed at such time (meaning so late) that a county office representative cannot verify what the condition of the field was on the final planting date must be disapproved. Therefore, it is very important that producer requests for prevented planting be filed timely, or within a few days of the RMA established final planting date, in order for the county office representative to verify the condition of the field on the RMA established final planting date.

RMA Established Final Planting Dates are as follows:

Barley, Oats & Wheat	North GA November 20 South GA – November 30
Corn	North GA – May 15 South GA – April 30
Cotton	North GA – May 20 South GA – May 31
Peanuts	GA (all) – May 31
Grain Sorghum	GA (all) – June 10
Soybeans	GA (all) – June 15
Tobacco (Flue-cured)	GA (all) – April 30

FSA Crop Disaster Assistance Programs

Available through your local Farm Service Agency (FSA) office is crop insurance coverage on your crops that are not insured by Federal Crop Insurance (FCIC). In Georgia, as a general rule, FCIC covers corn, cotton, peanuts, grain sorghum, soybeans, and wheat. FSA's Noninsured Crop Disaster Assistance Program, or NAP, offers coverage on everything else as long as the crop is being grown for food and/or fiber and includes everything from alfalfa to yams. Also available for coverage under NAP are value loss crops such as turf grass, Christmas trees, aquaculture, and honey. If FCIC won't insure it, by law we must offer coverage under NAP if the crop is an eligible crop with an eligible intended use.

To have a crop covered under NAP, you must file an application for coverage in the FSA office administering the county where the crop will be grown. There are two application closing dates in Georgia. August 15 of the year prior to the year of coverage is for those crops that are not annually planted such as pastures, nut and fruit tree crops and value loss crops and January 31 for those crops that are annually planted in the fall or spring for harvest in the same crop year. Please note that an annual crop that is planted in the fall of the preceding crop year that will be harvested in the next calendar year will have an application closing date of August 15. If you should decide to plant a crop prior to the applicable coverage deadline, you can insure that crop but the coverage will not take effect until 30 days after the application is filed and disaster events associated with early planting of the crop such as cold weather damage will be discounted.

If you should decide to insure your crops under NAP, please remember that this is an insurance program and there are program requirements that you must fulfill if you expect to receive an indemnity for claimed losses. Your local FSA office can provide you with a copy of the NAP basic provisions that will explain the program requirements.

Another disaster assistance program being administered by the FSA is the Supplemental Revenue Assistance Payments Program, or SURE. Availability of this program depends on your decision to insure all your crops under FCIC or NAP. If all of your crops are covered under an insurance plan and if your entire farming operation experiences a qualifying decrease in revenue due to eligible disaster events, then you can receive a supplemental payment from the FSA under the SURE program. However, if you decide to not cover a crop under FCIC or NAP, then compensation under the SURE program will not be available.

Farm Loan Programs

David Laster, Chief

Loans for Socially Disadvantaged Persons

The Farm Service Agency (FSA) makes and guarantees loans to eligible socially disadvantaged applicants (SDA) to buy and operate family-size farms and ranches. Each fiscal year, the Agency targets a portion of its direct and guaranteed farm ownership (FO) and operating loan (OL) funds to SDA farmers. Non-reserved funds can also be used by SDA persons.

An SDA group is a group whose members have been subject to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. These groups consist of American Indians or Alaskan Natives, Asians, Blacks or African-Americans, Native Hawaiians or other Pacific Islanders, Hispanics, and women.

The Agency:

- Helps remove barriers that prevent full participation of SDA farmers in FSA's farm loan programs; and
- Provides information and assistance to SDA farmers to help them develop sound farm management practices, analyze problems, and plan the best use of available resources essential for success.

Direct farm ownership loans (FO) and farm operating loans (OL) are made by FSA to eligible farmers. Guaranteed FO and OL loans are made by lending institutions subject to Federal or State supervision (banks, savings and loans, and units of the Farm Credit System) and guaranteed by FSA. Typically, FSA guarantees 90 percent of any loss the lender might incur if the loan fails. FO funds may be used to purchase or enlarge a farm or ranch, purchase easements or rights of way needed in the farm's operation, erect or improve buildings, implement soil and water conservation measures, and pay closing costs. Guaranteed FO funds may also be used to refinance debt.

OL funds may be used to purchase livestock, poultry, farm equipment, feed, seed, fuel, fertilizer, chemicals, insurance, and other operating expenses. The funds also may be used for borrower training costs, closing costs, and to reorganize and refinance debt.

Repayment terms for direct operating loans depend on the collateral securing the loan and usually run from 1 to 7 years. Repayment terms for direct farm ownership loans vary but never exceed 40 years.

Interest rates are set periodically according to the Government's cost of borrowing. Guaranteed loan terms are set by the lender. Interest rates for guaranteed loans are established by the lender.

For additional information interested persons should contact their local FSA office.

The following table reflects the status of direct funds in Georgia, as of March 15, 2010.

Program	Allocated	Obligated	Balance
Direct Farm Operating	\$29,524,000	\$19,243,015	\$10,280,985
Direct Farm Ownership	\$9,321,000	\$4,292,450	\$5,028,550

Cold Storage Facilities Now Eligible for USDA Facility Loan Program

(Continued from page 4)

To be eligible, cold storage facilities must have a useful life of 15 years and include:

- New structures suitable for a cold storage facility;
- New walk-in prefabricated permanently installed coolers suitable for storing fresh fruits and vegetables;
- New permanently affixed cooling, circulating and monitoring equipment;
- Electrical equipment integral to the proper operation of a cold storage facility; and must be
- An addition or modification to an existing storage facility.

USDA will not make cold storage facility loans for portable structures, portable handling and cooling equipment, used or pre-owned structures or cooling equipment or structures not suitable for a fresh fruits and vegetables' cold storage facility.

The maximum loan amount for a Farm Storage Facility loan is \$500,000 per loan. One partial disbursement of up to half the anticipated total cost is available when that portion of the structure has been completed. The final disbursement will be made when the entire structure has been completed and inspected by a USDA representative.

All Farm Storage Facility Loans require a down payment of at least 15 percent. Applications must be approved before construction can begin. Loan terms of 7, 10 or 12 years are available depending on the amount of the loan.

Loans applications should be submitted to the administrative FSA county office that maintains the records of the farm or farms to which the application applies. If the commodities are produced on land that does not have farm records established, the application must be submitted to the FSA county office that services the county where the facility will be located.

For more information on this program or other FSA farm programs please contact your local FSA county office or <http://www.fsa.usda.gov>.

Farm Loan Programs (Continued)

Farm Loan Information Chart

The following chart summarizes FSA farm loan information. Additional details are available at local FSA offices or on FSA's Web site: www.fsa.usda.gov.

Program	Maximum Loan Amount	Rates and Terms	Use of Proceeds
Direct Farm Ownership (FO)	\$300,000	<ul style="list-style-type: none"> - Up to 40 years - Rates based on Agency borrowing costs - Temporary limited resource interest rates are available for those unable to repay at regular rates - Interest rate 5% if 50% of loan amount provided by other lender 	<ul style="list-style-type: none"> - Purchase farm - Construct buildings or other improvements - Soil and water conservation - Pay Closing Costs
Downpayment Program	The least of: <ul style="list-style-type: none"> - 45% of the purchase price, - 45% of the appraised value, - \$225,000 	<ul style="list-style-type: none"> - Term: 20 years - Interest rate: Direct FO rate less 4% with a floor of 1.5% - Down payment: 5% 	Purchase farm
Direct Operating (OL)	\$300,000	<ul style="list-style-type: none"> - From 1 to 7 years - Rates based on Agency borrowing cost - Temporary limited resource interest rate is available for those unable to repay at regular rate 	<ul style="list-style-type: none"> - Purchase livestock, poultry, equipment, feed, seed, farm chemicals and supplies - Soil and water conservation - Refinancing indebtedness with certain limitations
Direct Emergency	100% actual or physical losses \$500,000 maximum program indebtedness	<ul style="list-style-type: none"> - From 1 to 7 years for non-real estate purposes - Up to 40 years for physical losses on real estate - Interest rate: 3.75% 	<ul style="list-style-type: none"> - 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 - Refinancing indebtedness with certain limitations
Guaranteed Operating	\$1,112,000 (Amount adjusted annually for inflation)	<ul style="list-style-type: none"> - From 1 to 7 years - Rates not to exceed the rate charged to lenders' average agricultural loan customers - Interest rate reduction of 4% available for those unable to repay at regular rates (with certain limitations) 	Same as Direct OL except loan may be used to refinance debts
Guaranteed Farm Ownership	\$1,112,000 (Amount adjusted annually for inflation)	<ul style="list-style-type: none"> - Up to 40 years - Rates not to exceed the rate charged to lenders' average agricultural loan customers 	Same as Direct FO except loan may be used to refinance debts

Producers are reminded when they have an address change due to 911 upgrades or relocation, to please contact your local FSA office to update your address.

Farm subsidies more than welfare for farmers (Continued from page 2)

One of the more used programs in the local area is the Average Crop Revenue Election Program. The ACRE program is available to producers who grow row commodities like cotton, corn and soybeans. Participating in the ACRE program means that a farmer has to establish “base acres” in a farming operation, and — should yearly revenue fall below the historic average state and farm revenue of the base acres — a direct payment to make up the difference between the historic and current revenue is made. The payment rate is set by the government.

A related program is the Direct and Counter-cyclical Payment Program. The DCP program is what McKay termed a “planning flexibility program.” While participating in DCP, farmers are allowed to plant crops other than the ones established on their base acres, but the payment is based on their historic base acres. “Their base acres may be all soybeans and corn, but it allows them based on the market,” McKay said. “It helps stabilize the farmer’s income in years when you have low prices, and it helps them continue to farm in the long term.”

Not all crops are eligible for ACRE and DCP programs. “High income crops like grapes or oranges don’t get any price supports,” McGehee said. And a good year means that those particular income support mechanisms never kick in. “It is easy to call it a subsidy, but that is not what it is because when the prices of commodities go high enough, the amount of money a producer gets on a countercyclical

payment is eliminated, and if payments were made, the farmer has to pay money back,” McGehee said.

Disaster programs

The Supplemental Revenue Assistance Program, which was authorized in the 2008 Farm Bill and activated in the Miss-Lou following Hurricane Gustav and after the 2009 flooding and drought, covers crop losses in areas that have been designated an agricultural disaster area where the loss exceeds 50 percent of production costs.

“The government establishes a SURE guarantee based off what (farmers) are expected to make based on what they are planting, and compare it to what their actual revenue is, and the difference is the benefits multiplied times a factor,” McKay said.

*FSA Offices will be closed
on the following holidays:*

May 31 Memorial Day

July 5 Independence Day
Observed