Clearwater County Farm Service Agency Office

October 2010

Karel Wemhoff, County Executive Director
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Orofino ID 83544

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www.fsa.usda.gov/id

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

Clearwater County Staff

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FSA Committee meetings are open to the public. Regular COC meetings are held the third Wednesday of each month at the Orofino USDA Service Center, beginning at 8:15 a.m.

2010 DCP Final Payments

Final DCP payments for 2010 participants will be issued sometime after October 1, 2010. Producers who received an advance payment will be paid the balance they are due. Those who did not take an advance will be receiving their full payment amount. These payments will be deposited directly into personal bank accounts.

If there are any unearned payments, Commodity Credit Corporation will automatically subtract those amounts from the final Direct and Counter-cyclical Program payments you are about to receive.

Disbursement transaction statements will be mailed to all producers receiving a payment. They will include information that will be very useful during tax time to identify payment issued, refunds paid and set-offs taken to satisfy debts.

2011 ACRE Signup

The enrollment period for the 2011 Average Crop Revenue Election Program (ACRE) runs from Oct. 1, 2010 – June 1, 2011.

The ACRE program provides eligible producers a state-level revenue guarantee, based on the 5-year state Olympic average yield and the 2-year national average price. ACRE payments are made when both state and farm-level triggers are met. By participating in ACRE, producers elect to forgo counter-cyclical payments, receive a 20-percent reduction in direct payments and a 30-percent reduction in loan rates. The decision to elect ACRE binds the farm to the program through the 2012 crop year.

Planted crops considered eligible for ACRE payments include: wheat, barley, oats, grain sorghum, corn, upland cotton, peanuts, pulse crops (dry peas, lentils,

FSA Conservation Loan Program

The Farm Service Agency makes and guarantees conservation loans on farms and ranches to help conserve our natural resources. The Conservation Loan (CL) Program provides farmers with the credit necessary to implement conservation measures on their land.

The direct CL limit is $300,000 and the guaranteed CL limit is $1,119,000. Guaranteed loans are available through lenders working with FSA.

Applicants will work with Natural Resources and Conservation Service (NRCS) staff to develop a conservation plan. Conservation practices must be approved by NRCS before FSA can provide financing. Examples of conservation practices include installation of conservation structures; establishment of forest cover; installation of water conservation measures; establishment or improvement of permanent pastures; transitioning to organic production; manure management, including manure digestion systems; and more.

County Committee Elections

Starting early next month, watch your mailbox for your official county office committee election ballot. Mailing of ballots to all eligible voters starts on November 5, 2010. If, for some reason, you don't receive a ballot, contact the county FSA office to get one.

Completed and signed ballots will be due back in the county office by the close of business on December 6, 2010.

Disaster Program: Livestock Forage (LFP)

The Livestock Forage Disaster Program (LFP) provides compensation to eligible livestock producers who suffer grazing losses for covered livestock due to drought conditions or fire on federally managed land.

As authorized by the 2008 Farm Bill, the LFP provides recovery assistance to livestock producers suffering grazing losses that occur due to drought or fire up to October 1, 2011.

The LFP program is activated in drought areas when the National Drought Monitor records a drought of D2 or more severe for the area. Assistance levels increase with the severity of drought designation.

For 2010 and subsequent years, applications must be filed no later than 30 calendar days after the end of the calendar year in which the grazing losses occurred.

Additional Information about LFP including eligible livestock and fire criteria is available at county FSA offices or on line at: www.fsa.usda.gov.

NOTE: For both LFP and ELAP, deadlines have passed for 2008 and 2009 loss filing. For 2010 and subsequent year losses, sign up ends Jan. 30, 2011 (30 days after the end of the loss year.)

Disaster Program: Livestock, Bees, Fish (ELAP)

Emergency Livestock Assistance Program (ELAP) provides compensation to eligible producers of livestock, honey bees, and farm-raised fish for losses due to disease, adverse weather, or other loss conditions, including losses due to blizzards and wildfires. ELAP is for losses that are not covered by Livestock Indemnity Program (LIP), Livestock Forage Disaster Program (LFP), or Supplemental Revenue Assistance Program (SURE).

ELAP originated from the 2008 Farm bill to assist producers with losses that occurred on or after January 1, 2008, and before October 1, 2011. Eligible losses include feed losses, physical losses and additional costs incurred in providing feed to eligible livestock.

There are two parts to the ELAP application process:

1. A notice of loss (file within 30 days of loss)
2. Application for payment (sign up before 1/30/11)

An application for payment cannot be filed without a notice of loss.

Eligible physical losses of honey bees and honey bee hives, lost due to adverse weather or loss conditions are eligible under ELAP. Producers will be required to provide documentation of beginning and ending inventory of honey bee colonies when claiming a physical loss of honey bees or honey bee hives.

Additional ELAP information is available at FSA county offices or on line at www.fsa.usda.gov.

Marketing Assistance Loans

Marketing Assistance Loans (MAL) are available for producers who share in the risk of producing the crop. To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of the date the loan is repaid or CCC takes title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if the producer regains beneficial interest.

Applicants must also comply with conservation and wetland protection requirements; acreage reporting requirements and ensure that the commodity meets Commodity Credit Corporation minimum grade and quality standards. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Producers do not have to participate in the Direct and Counter-Cyclical and/or ACRE Programs to be eligible for commodity loans.

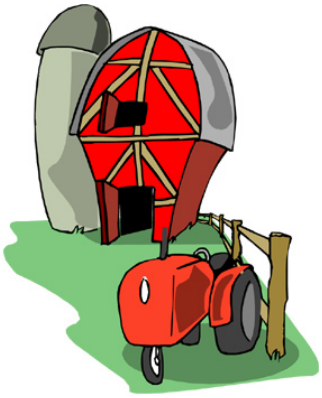
Violating provisions of a marketing assistance loan may result in liquidated damages, calling in the loan and denial of future farm-stored loans.

Beginning and Limited Resource Farmers

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. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more that 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 average size.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit www.fsa.usda.gov



Acreage Spot Check Determinations and Notification

Each year the Farm Service Agency completes spot checks of acreage reports. Acreage reports are an integral part of farm program participation. Acreage spot checks are completed to ensure accurate acreage reports are used in farm program computations.

FSA will conduct spot checks on a selected number of farms in each state. All acreage determinations will be completed using the FSA Geographic Information System official acreages.

After farms are spot checked, a Notice of Determined Acreage will be sent to the farm operator. Producer notifications will be issued by FSA as spot checks are completed. Questions concerning determined acres should be directed to your local FSA office for further explanation.

Paper Check Conversion (PCC)

Over the next year, the Farm Service Agency (FSA) and the Commodity Credit Corporation (CCC) is moving toward an electronic method for processing producers' checks. This will allow FSA/CCC to process collections faster.

When producers present checks, either in person or through the mail, the checks will be converted into an Electronic Funds Transfer (EFT). The funds will be debited from the producer's account, usually within 24 hours of receipt.

Please see the U.S. Department of Treasury legal notices posted in the Service Center or visit the following U.S. Department of Treasury Internet site for detailed information: **https://www.pccotc.gov/pccotc/pcc/usingpcc/Legal%20Notices/legalnotices.htm**

Farm Storage Facility Loan

The Farm Storage Facility Loan (FSFL) program 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 is $500,000. Participants are required to provide a down payment of 15 percent. 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 CCC borrows from the Treasury Department.

Payments are available in the form of a partial disbursement and the remaining final disbursement. The partial payment will be available after a portion of the construction has been completed. The final payment will be made when construction is completed. The maximum amount of the partial disbursement will be 50 percent of the 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.

Eligible commodities for the FSFL program include: corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds, pulse crops - lentils, small chickpeas and dry peas, hay, renewable biomass, fruits (including nuts) and vegetables.

For more information about FSFL please visit your FSA county office or www.fsa.usda.gov

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Selected Interest Rates for October 2010	
Farm Operating - Direct	2.125%
Farm Ownership	5.000%
Conservation Loan (NEW)	5.000%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency	3.750%

Dates to Remember	
Oct. 11	Columbus Day Holiday - Office Closed
Nov. 5	County committee ballots mailed to voters
Nov. 11	Veterans Day Holiday - Office Closed
Nov. 25	Thanksgiving Day Holiday - Office Closed
Dec. 1	NAP Closing Date - Perennial Crops

USDA is an equal opportunity provider and employer.