



September 2009

# Latah County FSA News

## 2009 DCP and ACRE

If you added pulse crop bases to your farming operation the DCP contract that you previously initiated has been terminated. The regulations for the establishment of pulse bases requires that once pulse bases are added to the farm, the contract previously initiated was required to be terminated. There was no way to avoid termination of your contract. Therefore, we have a short time frame with which to work in order to get the DCP and now ACRE contracts signed up for 2009.

This is a short time frame, that's for sure, but if you want to participate for 2009 after the addition of pulse crop bases, you'll find a way to get it done.

In summary, this is what you need to do as soon as you receive your DCP or ACRE contract with pulse bases added:

1. **Sign** your new DCP or ACRE contract.
2. **Date** your new DCP or ACRE contract.
3. **Return** your new DCP or ACRE contract

## NAP Coverage

The Non-Insured Crop Disaster Assistance Program (NAP) was designed to reduce financial losses that occur when natural disasters cause a catastrophic loss of production or prevented planting of an eligible crop by providing coverage equivalent to catastrophic (CAT) insurance. Statute limits NAP to each commercial crop or agricultural commodity, except livestock, for which CAT is not available.

Producers who already have coverage on 2009 NAP crops may choose to continue coverage on the same crop or crops for 2010, if the applicable service fee is submitted by the application closing date. Producers who choose to add a new crop(s) or delete a crop(s) from previous year's coverage or changing crop shares must file a new CCC-471 with signatures and pay the applicable service fee.

Producers with NAP coverage must remember to complete the following to qualify for benefits:

- Timely file acreage reports and keep track of harvested production using acceptable methods. For example, bale weights or other means of determining quantities of hay are required.
- File a "Notice of Loss" within 15 days of when a loss is apparent, due to drought, hail, etc.

Pulse crop bases have been or are in the process of being added to the farms' crop record. Once those bases are added a new contract must be completed in order to participate in DCP or ACRE for 2009. Our office will be mailing you the following: (1) a copy of your farm crop record which shows the new pulse crop bases that were added to the farm; (2) a letter that instructs you to complete a new DCP or ACRE contract **within 30 days from the date of the letter** and (3) the new DCP or ACRE contract for your signature and date.

Some landowners may receive additional documents because during the pulse crop base establishment they ended up with too much pulse base on the land they own and that base is subject to redistribution. If you do not receive more than what is described above, your tract is not affected and you may disregard this information. If you received this information, please follow the instructions included. You may call if you have questions regarding the excess base redistribution.

All signatures, whether those of crop share landowners or cash rent landowners (required if valid copies of cash leases are not on file in this office), are required to be on the DCP or ACRE contract and on file in this office in order for the contract to be approved. If you don't get the signatures back we can't pay the farm.

### County Executive Director

Jim Knecht

### County Staff

Janel Benjamin  
Shyla Lisenbee  
Sherry Pollock  
Annette Schenck

### County Committee

Connie Esser – Chair  
Kyle Nelson – Vice-chair  
Clint Anderson - Member

### Hours

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

208-882-4960 phone  
208-882-8809 fax  
www.fsa.usda.gov/id

Farm Loan Program staff are headquartered at the Nez Perce County FSA Office located in Lewiston

Nez Perce County FSA  
1630 23<sup>rd</sup> Ave., Ste 1201  
Lewiston, Idaho 83501  
208-746-9621 phone  
208-798-3164 fax

### Farm Loan Manager

Bardell Faux

### Farm Loan Officers

Jason Fisher  
Brian Hill



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## Farm Storage Facility Loan Program Changes

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 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. 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.

Early 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. The following commodities are eligible for farm storage facility loans:

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

For more information about FSFL please visit your FSA county office or [www.fsa.usda.gov](http://www.fsa.usda.gov).

## Biomass Crop Assistance Program

The new Biomass Crop Assistance Program (BCAP) is of interest to biomass conversion facilities and those who own, chip and transport biomass material to these facilities.

Chippers and producers with conversion facilities contracts to prepare and deliver materials can apply for matching payments under the collection, harvest, storage and transportation (CHST) component of BCAP. Once an agreement is signed between FSA and a biomass conversion facility and funding is provided, the facilities can begin accepting

materials under this program.

The matching CHST payments are paid at a rate of \$1 for \$1 per dry-ton equivalent received by a qualified biomass conver-

sion facility, not to exceed \$45 per dry-ton equivalent. A biomass owner is eligible to receive payments for two years. The purpose of the matching payments is to assist biomass handlers with the CHST cost of delivering biomass to a qualified biomass conversion facility. Once a facility becomes qualified, eligible material owners or producers who deliver biomass to that facility may be eligible to receive CHST payments.

Eligible material owners or producers, who market eligible material to a qualified biomass conversion facility, may apply for the matching CHST payment at their FSA county office. An application must be submitted and approved before the eligible material is sold or delivered to a qualified biomass conversion facility. After the product is delivered, a material handler must provide FSA with documentation of product quantity, quality and payment rate. County offices will validate payment requests with information in the county office and information provided under the terms of MOUs with the qualified biomass conversion facilities. Environmental analysis must also be completed.

**Idaho has received its first application for a qualified Biomass conversion facility. The company is located in North Idaho and processes wood fibers into pellets.**

## DCP Succession in Interest

If you have made changes that affect your interest in base acres since you signed your last Direct and Counter-cyclical Program contract, you must report these *successions-in-interest* to the county committee by Sept. 30, so a final determination can be made on who is eligible for the program on the farm.

Changes that qualify as a succession-in-interest include:

- A sale of land
- A change of operator or producer, including an increase or decrease in the number of partners
- A foreclosure, bankruptcy or involuntary loss of the farm.
- A change in producer shares to reflect changes in the producer's share of the crop(s) that were originally approved on the contract.

If a succession-in-interest has taken place, you, as the “predecessor,” are required to refund any advance DCP payments you received for the affected base acres before a payment can be made to the “successor.” Not reporting a succession-in-interest can result in contract termination and a loss of program benefits for all producers involved.

## FSA Loans for Family Sized Farms

The Farm Service Agency (FSA) offers loans for eligible farmers and ranchers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, borrowers might have suffered setbacks from natural disasters or might be persons with limited resources. Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,094,000. Emergency loans are always direct loans for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth Loans, Loans to Beginning Farmers and loans for socially disadvantaged applicants are also available through FSA.

For detailed information on loan eligibility or the available loan programs, contact the county office staff for an appointment with a farm loan officer.

## Late File Crop Reports

If you did not file an acreage certification, you can still file before final DCP and CRP payments are released in October. However, now it will cost you \$46 per farm to certify.

### FOR BEST SERVICE – CALL AHEAD

Efficiency is defined as the ability to do something well or achieve a desired result without wasted energy or effort.

Whether it's you in the field or us in the office we all want to be efficient. So please take the time to call ahead to schedule a time for you to come in and do your business with us and then get you back out into the field.

We understand busy and the last thing that we want you to do is wait.

## 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 Groups.

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.

If producers or their spouses believe they would qualify as socially disadvantaged, they should contact their local FSA office for details. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere

## Beginning and Limited Resource Farmers

FSA assists eligible 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.

Each member of an entity must meet the eligibility requirements. Loan approval is not guaranteed.

Dates to Remember	
09/30/2009	2010 NAP sales closing date for fall seeded crops
09/30/2009	2010 NAP sales closing date for grass seed
12/01/2009	NAP sales closing date for honey and all 2010 perennials, including alfalfa and grass

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