October 2012

USDA
Lemhi/North Custer County FSA
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208-756-4262 phone
208-756-4705 fax
www.fsa.usda.gov/id

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

County Committee

Larry Whittier
Ryan Hughes
Kimberly McConnaghy
Kurt Bird

Lemhi/North Custer County Staff

Tony Potter, CED
Rhonda Tewalt, PT
Dustin Carter, FLM
Curtis Warner, FLM

For farm loan questions: Lemhi County producers call the Rexburg office at 1-866-805-9707

Custer County producers call the Blackfoot office at 1-208-785-2090

Increased Guaranteed Loan Limit

The Farm Service Agency has announced that the loan limit for the Guaranteed Loan Program will increase to $1,302,000 on Oct. 1, 2012. The limit is adjusted annually based on data compiled by the National Agricultural Statistics Service.

The lending limit increases every year according to an inflation index. The maximum combined guaranteed and direct farm loan indebtedness will also increase to $1,602,000.

As a reminder, the one-time loan origination fee charged on FSA guaranteed Farm Ownership and Operating loans is 1.5 percent of the guaranteed portion of the loan.

Producers should contact their local FSA County Offices with questions about farm loans.

County Committee Elections LAA 2

Watch your mailbox for your official county office committee election ballot starting early next month. Ballots will be mailed to all eligible voters on Nov. 5, 2012. If for some reason you don't receive a ballot, feel free to notify the county FSA office.

Completed and signed ballots must be returned to the county office by close of business on Dec.3, 2012. Elections will be held in the Local Administrative Area (LAA) 2 this year. LAA 2 includes the Salmon and Tendoy areas. Kimberly McConnaghy currently represents this LAA.

USDA Announces Hispanic and Women Farmer and Rancher Claims Period

Agriculture Secretary Tom Vilsack has announced that Hispanic and women farmers and ranchers who allege discrimination by the USDA in past decades can file claims between September 24, 2012 and March 25, 2013.

The process offers a voluntary alternative to litigation for each Hispanic or female farmer and rancher who can prove that USDA denied their applications for loan or loan servicing assistance for discriminatory reasons for certain time periods between 1981 and 2000.

The voluntary claims process will make available at least $1.33 billion for cash awards and tax relief payments, plus up to $160 million in farm debt relief, to eligible Hispanic and women farmers and ranchers. There are no filing fees to participate in the program.

The Department will continue reaching out to potential Hispanic and female claimants, around the country who may be eligible for this program.

Call center representatives can be reached at 1-888-508-4429. Potential claimants who registered earlier this year should have received a claims package. All those interested in learning more or receiving additional information about the claims process should visit the website or contact the claims telephone number.

Website: **www.farmerclaims.gov**
Phone: **1-888-508-4429**
Claims Period: Sept. 24, 2012 - Mar 25, 2013.

Independent legal services companies will administer the claims process and adjudicate the claims. Although there are no filing fees to participate and a lawyer is not required to participate in the claims process, persons seeking legal advice may contact a lawyer or other legal services provider.

2013 Reporting of Pasture, Rangeland, Forage and Fall Seeded Crops

All producers are reminded that the acreage reporting date for all perennial pasture, rangeland, forage and Fall seeded crops has changed. Nov. 15, 2012 is the new acreage reporting date for these agricultural practices. All fall seeded crops including winter wheat now have a reporting date of Dec.15, 2012. Please call for an appointment to certify your perennial pasture, rangeland, forage, and fall seeded crops.

Farm Storage Facility Loan Program

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 maximum principal amount of a loan through FSFL is $500,000. Participants are 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. 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 U.S. Treasury Department.

Loans will not be disbursed until the facility has been erected and inspected with the exception of one (1) qualifying partial disbursement.

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, rice, soybeans, oats, peanuts, 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 visit the FSA county office or www.fsa.usda.gov.

Marketing Assistance Loans

A Marketing Assistance Loan (MAL) is 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.

Commodity loan eligibility also requires compliance with conservation and wetland protection requirements; beneficial interest requirements, acreage reporting and ensuring 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 the loan and denial of future farm-stored loans.

Learning to Manage for Soil Health

Disturbing the soil as little as possible helps maintain soil health. This can be accomplished by growing as many different species of plants in the soil as often as possible to keep the soil armored with residue. There are many sources of food in the soil that feed the soil food web, but there is no better food than the sugars exuded by living roots. When using limited crop rotations, a mix of cover crops can fill the gap to improve crop diversity.

Improving soil health starts by understanding aggregate stability. Soil aggregates are groups of soil particles that bind to each other more strongly than to adjacent particles. Glomalin and polysaccharide exudates acts like a glue to cement the micro aggregates together to improve soil structure. An agricultural system that combines a continuous living cover (cover crops) with continuous long-term no-till is a system that closely mimics a natural system and should restore soil structure and soil productivity.

When we till our soils, the soil aggregate is broken down and excessive oxygen gets into the soil allowing bacteria to flourish and rapidly decompose the active carbon needed to stabilize macro aggregates. When a soil is left naked, hungry, thirsty and running a fever the soil cannot function as intended and we will see the symptoms (crusting, surface sealing, compaction, poor water infiltration, wind and water erosion) of poor soil health.

To find out more about soil aggregates and how to improve soil health you can download a Power Point presentation given during workshops held earlier this summer in Sothern Idaho. The presenters were Ray Archuleta, Dr. Rick Haney and Marlon Winger. There are also several publications on soil health and cover crops on the site. http://www.id.nrcs.usda.gov/technical/agronomy.html

2012 DCP Final Payments

DCP payments for 2012 will be issued after Oct. 1, 2012. These payments will be deposited directly into participating producers' bank accounts.

If there are any unearned payments, Commodity Credit Corporation will automatically subtract those amounts from the October Direct and Counter-Cyclical Program payments.

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 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.

Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Reside in a rural area, city or town with a population of 50,000 or fewer people
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms.

IRS 1099 Changes

Calendar year 2012 has brought changes to the way FSA reports farm program payments to the producer and to the IRS.

In past years, IRS Forms 1099-G would be issued to show all program payments received from the Farm Service Agency, regardless of the amount.

Starting with calendar year 2012, producers whose total reportable payments from FSA are less than $600 will not receive IRS Form 1099-G. Also, producers who receive payments from more than one county will only receive one Form 1099-G if the total of all payments from all counties is $600 or more.

The same changes will apply to producers and vendors who normally receive IRS Form 1099-MISC from FSA.

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

Selected Interest Rates for October 2012	
Farm Operating - Direct	1.125%
Farm Ownership - Direct	3.00%
Limited Resource	5.00%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency	2.125%
Farm Storage Facility – 7 year	1.125%
Farm Storage Facility – 10 year	1.750%
Farm Storage Facility – 12 year	2.00%
Sugar Storage Facility	2.125%
Commodity Loans 1996-Present	1.125%

Dates to Remember	
October 8	Columbus Day Federal Holiday
Nov. 5	County Committee ballots mailed
Nov. 12	Veteran's Day Federal Holiday
Nov. 15	Crop reporting deadline for pasture, rangeland and all other forage crops
Nov 22	Thanksgiving Day Federal Holiday
Dec. 1	NAP deadline for perennial grass seed crops in East, South & West Districts and all other perennials and honey.
Dec. 15	Crop reporting deadline for Fall alfalfa seed, Fall barley, Fall canola, dry peas, Fall Mint, Fall wheat and all other Fall seeded small grains

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