September 2009

Madison County FSA News

USDA
Madison County FSA
302 Profit St.
Rexburg, Idaho 83440
208-356-5701 phone
208-356-7240 fax
www.fsa.usda.gov

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

Madison County Staff
Janet Harris, PT
Cindy Hill, PT
Pam Garrett, PT
Linda Jones, PT
Joy Shuldberg, FLO
Kory Murdock, FLO
Curtis Warner, FLM
Bart Linderman, CED

In This Issue:

Farm Storage Loans
LDP's and MAL's
NAP Coverage
Field Burning
Continuous CRP
CRP News
DCP/ACRE
FSA Loans
Rural Youth loans
Biomass
ACRE News
Beginning and Limited Resource Farms
Dates to Remember
Interest Rates

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 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 - small chickpeas and dry peas
- Hay
- Renewable biomass
- cold storage facilities for fruits and vegetables

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

Price Support Programs

Marketing Assistance Loans (MALS) and Loan Deficiency Payments (LDPS) on wheat, barley, oats, corn, safflower, flaxseed, mustard seed, graded and non-graded wool, honey, dry peas and small chickpea are available.

MALS provide producers interim financing at harvest time to meet cash flow needs without having to sell their commodities when market prices are typically at harvest time lows. The loans are for a maximum of nine months and the current September interest 1.5%.

For a commodity to be eligible for a MAL or a LDP, the producer must have beneficial interest in the commodity and sign form 633EZ before you request a LDP.

A producer who is eligible to obtain a loan, but who agrees to forgo the loan may obtain a LDP.

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

Currently there are LDP's available on Durum Wheat and Barley, as of September 3, 2009:

Crop	Loan Rate	Posted Price	LDP Rate
HRW	2.63	4.28	0
HRS	3.41	4.04	0
SWS	2.87	4.07	0
DUR	4.75	4.59	0.16
Barley	2.00	1.93	0.07
Corn	2.26	3.29	0
Oats	1.25	1.79	0
DPeas	6.12	9.73	0

Remember: ACRE participants - your loan rate is 30% less for harvested production on farms enrolled in ACRE.

NAP Coverage - Deadlines & Details

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.

See page 4 for 2010 NAP coverage application deadlines for various crops in Idaho.

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. A new CCC-471, application for coverage is not required to be signed when applying for continuous coverage of the same crop or crops.

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.

Field Burning

If you want to burn your crop residue this fall, make sure you contact DEQ and obtain your permit. There is a $2.00 per acre cost.

Growers must have completed training in proper burning techniques and good smoke management within the past five years.

More information DEQ's Web site is:
www.deq.idaho.gov/cropresidueburning.cfm or call Pocatello 233-6130

Continuous CRP

The Continuous Conservation Reserve Program is a private lands environmental improvement program that allows participants the opportunity to enroll environmentally sensitive acreages in conservation practices that will reduce soil erosion, improve water and soil quality and provide wildlife habitat and food sources.

The Continuous CRP program is a voluntary enrollment program. Eligible landowners enter into contracts that range from 10 to 15 years in length. In return, the landowners will receive annual rental and maintenance payments, incentive payments for certain activities, and cost share for establishment.

To be eligible for enrollment in the Continuous CRP, participants and acreage must meet certain requirements. Provided the eligibility requirements are met, FSA will automatically accept enrollments of acreage into Continuous CRP. Landowners may enroll in the program at any time during the year. For more information on Continuous CRP enrollments, please contact your local FSA office.

DCP Succession in Interest

If you have made changes that affect your interest in base acres since you signed your last Direct and Countercyclical 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.

Rural Youth Loans

The Farm Service Agency makes loans to eligible 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. The FSA staff can help you with questions you may have about a particular program.

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 conversion 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.

ACRE Production Evidence

For those of you who signed up in 2009 for the new ACRE Program you must prove your yields for the years 2004-2009. We will use 2004-2008 to establish a bench mark yield and your 2009 will be used to determine your ACRE payment. Supporting evidence includes: warehouse settlement sheets, RMA yield production records, and measured quantities by FSA. Production used for seed must include written documentation indicating seeding rate and number of acres seeded. If you use production for feed the best way to prove production is by a measurement service or ensuring it is part of your APH date base before feeding. You may provide production evidence at any time but not later than June 30, 2010.

For those of you who are still interested in ACRE you will be able to sign up for the 2010 program through June 1, 2010.

ACRE Designation for Payment

Farms participating in the ACRE program that have Planted and Considered Planted(P&CP) acres in excess of 120% of the contract acres must designate the number of acres of each covered crop to receive an ACRE payment. Form CCC-528 Designation of Payment Acres for Planted and Considered Planted Crops of Covered Commodities for the Average Crop Revenue Election (ACRE) Program must be signed by all producers sharing in the ACRE payment.

The final date to designate payment acres for 2009 is September 30th. If no designation is received by the county office by that date or producers on the farm cannot agree on the designation, the county office will allocate the acres for payment based on the crops percentage of total Planted and Considered Planted on the farm.

Madison County FSA
302 Profit St.
Rexburg, Idaho 83440

United States Department of Agriculture
Farm Service Agency

PRESORTED STANDARD
U.S. POSTAGE PAID
Kansas City, MO
PERMIT #BM-2175

Dates to Remember	
09/30/2009	NAP sales closing date for fall seed crops
09/30/2009	NAP sales closing date for grass seed, Northern Idaho only
12/01/2009	NAP sales closing date for honey and all 2010 perennials, including alfalfa and grass
Continuous	Continuous Conservation Reserve Program
09/30/2009	Designate Payment Acres for ACRE

Selected Interest Rates for September 2009	
Farm Storage Facility Loans (August)	3.125%
Commodity Loans (August)	1.50%
Farm Operating Loans — Direct	3%
Farm Ownership Loans — Direct	4.875%
Farm Ownership Loans — Down Payment	1.50%
Emergency Loans	4.75%

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.

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

The United States 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 programs. (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 USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202)-720-6382 (TDD). USDA is an equal opportunity provider and employer."