



September 2009

Nez Perce Co. FSA News

Idaho FSA Welcomes Dick Rush



USDA Farm Service Agency in Idaho is pleased to welcome Dick Rush back to Idaho as State Executive Director. Mr. Rush was born and raised in Idaho, and his parents still live on the family farm near Moscow. He is a graduate of the University of Idaho with a degree in agricultural economics and holds a master's degree in agricultural economics from the University of California at Davis. Dick has served as Administrator of the Idaho Wheat Commission, Director of the Idaho Department of Agriculture under two governors and our SED from 1992-2000. He also managed a 6000-acre dry land farm and livestock operation

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.

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.

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.

USDA
Nez Perce County
USDA Service Center
1630 23rd Ave,
Suite 1201
Lewiston, ID 83501
(208) 746-9621
(208)798-3164 fax
www.fsa.usda.gov/id

Hours
Monday – Friday
8:00am – 4:30 pm

County Committee:
Greg Weber, Chairman
Neil Heitstuman,
Vice-Chairman
Ralph Schwartz, Member
Cheryl Eneas-Slickpoo,
Advisor

Staff:
Dale George, CED
Tricia Uhlenkott, PT
Christy Randall, PT
Diana Menzel, PT
Bardell Faux, FL Manager
Brian Hill, Farm Loan
Officer
Jason Fisher, Farm Loan
Officer
Annette VonBargen, FL PT



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.

For more information on NAP coverage please contact your nearest Farm Service Agency office.

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.

Eligible landowners enter into contracts that range from 10 to 15 years in length. 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.

Prepare for Barley LDP's

The market price for barley has fallen and is nearing the point that 2009 crop Loan Deficiency Payments (LDP's) will be available. On August 27th the market price was within \$0.03/bushel (\$1.25/ton) of earning an LDP on barley in Nez Perce Co.

To prepare for LDP's, request and sign a CCC-633EZ page 1 from the FSA Office or on the web at the following address:

<http://forms.sc.egov.usda.gov/eForms/searchAction.do?pageAction=Browse%20Forms> and enter CCC 633

Fax or deliver the form to the FSA Office prior to selling your crop. By submitting the CCC-633EZ page 1 you are indicating your intention to obtain an LDP if one becomes available. After signing the CCC-633EZ you may sell your commodity and still be eligible for LDP's. **DO NOT SELL OR LOSE BENEFICIAL INTEREST IN YOUR COMMODITY PRIOR TO SIGNING THE CCC-633EZ page 1 – YOU WILL BE INELIGIBLE FOR LDP's.** To apply for your LDP, complete CCC-633EZ page 2 along with your sales evidence.

To obtain an LDP on a specific day, and receive that day's LDP rate, complete the CCC-633EZ page 1 and page 2 (for grain), and submit it to the FSA Office on that day. You may obtain an LDP without selling your crop by submitting the CCC-633EZ pages 1 & 2 on the date you wish to obtain the LDP rate.

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.

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. Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; and 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, acreage reporting and ensuring that the commodity meets Commodity Credit Corporation minimum grade and quality standards. For commodities to be eligible they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. 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 trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans.

The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

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.

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.

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

Nez Perce County FSA Office
 1630 23rd Ave, Suite 1201
 Lewiston, ID 83501



**PRESORTED STANDARD
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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, and fruit
Continuous	Continuous Conservation Reserve Program

Selected Interest Rates for September 2009	
Farm Operating Loans — Direct	3.000%
Farm Ownership Loans — Direct	4.875%
Farm Ownership Loans — Down Payment	1.500%
Emergency Loans	3.750%
Farm Storage Facility Loans	3.125%

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