



# NEWSLETTER



## Illinois State FSA Office

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Springfield, IL 62711

217-241-6600  
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**Hours**  
Monday - Friday  
8:00 a.m. - 4:30 p.m.

## MAY 2013

Scherrie V. Giamanco  
**State Executive Director**

Rick Graden  
**Executive Officer**

Mary Kirby – **Public Affairs Specialist**

Visit our Website at:  
[www.fsa.usda.gov/il](http://www.fsa.usda.gov/il)

## WELCOME TO THE ILLINOIS FSA STATE NEWSLETTER (13th Edition)

As USDA Farm Service Agency is moving to a paperless, electronic version of County Newsletters, the State Office has developed a State Wide Newsletter that will be posted to this site every month. This is a uniform Newsletter available to all producers in the state. If you would like to have a hard copy of this newsletter for your use, please stop by your local county office to obtain one. If you wish to receive electronic county office news, and have not signed up to do so yet, please contact your local county office and provide them with your email address. We appreciate your patience while we transition into a new, more efficient, cost saving way of providing you with the most up to date information possible.

Sincerely,

Scherrie V. Giamanco – State Executive Director

## COC ELECTION NOMINATIONS

The election of agricultural producers to Farm Service Agency (FSA) county committees is important to ALL farmers and ranchers. It is crucial that every eligible producer participate in these elections because FSA county committees are a link between the agricultural community and the U.S. Department of Agriculture (USDA).

County committee members are a critical component of the operations of FSA. They help deliver FSA farm programs at the local level. Farmers and ranchers who serve on county committees help with the decisions necessary to administer the programs in their counties. They work to ensure FSA agricultural programs serve the needs of local producers.

FSA county committees operate within official regulations designed to carry out federal laws. County committee members apply their judgment and knowledge to make local decisions.

The COC nomination period runs from June 17, 2013 through August 1, 2013. The nomination form is available at USDA Service Centers and online at [www.fsa.usda.gov](http://www.fsa.usda.gov).

For more information contact your local FSA office.

## ONLINE DATA TOOL FOR PUBLIC

The USDA Race, Ethnicity, and Gender Program Statistics query tool, known as REGStats, is the official new tool of the United States Department of Agriculture (USDA) for making program application and participation rate data available to the public on the Internet.

The REGStats website provides summary information about the number of individuals and entities that apply for, and receive, federal assistance from four USDA agencies or mission areas – the Farm Service Agency (FSA), the Natural Resources Conservation Service (NRCS), Rural Development (RD), and the Risk Management Agency (RMA).

The information available in REGStats includes the number of applicants and recipients, by fiscal year, for USDA programs available to agricultural producers and landowners, categorized by race, ethnicity, and gender. Summary totals may be obtained nationally, or by state and county for the 50 states, as well as the U.S. territories.

Visit the online site:  
<http://www.regstats.usda.gov>

## CONDUCT USDA BUSINESS ONLINE BY CREATING AN eAUTHENTICATION ACCOUNT



The Internet allows you, the customer, access to USDA information 24 hours a day, seven days a week. You can fill out and submit electronic forms (eForms) any time of the day or night from any where you have Internet access. This new service delivery option allows you to complete and file your own forms or applications online, because your signature is already electronically "on file."

Information submitted to the Federal Government remains safe and secure because every customer has a unique User ID and password; only authorized USDA employees can access your information. It's safe, saves paper, saves a visit to your local USDA Service Center and provides electronic tracking of all your USDA transactions.

### How to Sign Up for eAuth :

Begin the process by reviewing the information at the USDA Website <https://www.eauth.usda.gov>. This website describes the services available for Level 1 and Level 2 Accounts. Level 1 and Level 2 accounts require that you have an email address so you can register, create a customer profile, and be able to respond to a confirmation email. Level 1 Accounts do not require you to provide proof of your identity at a local USDA Service Center. Level 1 Accounts provide limited access to certain USDA Web site portals that require no authentication or authorization. A Level 2 Account does require a visit to a USDA Service Center with proof of your identity. That is because a Level 2 account allows you access to complete and submit documents and forms electronically.

### LEVEL 1 ACCOUNT

STEP 1. To obtain a Level 1 Account, you may self-register online at [www.eauth.egov.usda.gov](http://www.eauth.egov.usda.gov).

Scroll down and click on the button that says "Sign Up for a Level 1 Account." Complete the brief customer profile.

STEP 2. You will receive a confirmation email, and you must respond to it within 7 days to activate your account.

### LEVEL 2 ACCOUNT

STEP 1. To obtain a Level 2 Account, you must complete an 18 question customer profile and prove your identity by presenting state or federal photo ID at a local USDA Service Center. Go to [www.eauth.egov.usda.gov](http://www.eauth.egov.usda.gov), scroll down and click on "Sign Up for a Level 2 Account." Complete your customer profile, which includes designating your user ID and password created by you, contact information and email information. The data you enter in your customer profile must match the data on the document you use as identification at your local USDA Service Center.

Example: Your first and last name and address must match the government-issued photo ID you plan to use to prove your identity. Identify proof can only be verified by one of the following documents: Current State Driver's License, State Photo ID, US Military ID, or United States Passport.

STEP 2. After completing your customer profile and submitting it online, you will receive a confirmation email, and you must respond to it within 7 days to activate your account.

STEP 3. Then you must complete the "Identify Proofing" process by visiting a local USDA Service Center. You will be required to present the eligible photo ID to an USDA employee who will verify your identity and enter the expiration date of the ID document used.

STEP 4. The USDA employee then will update your customer profile to a Level 2 Account. You will have access to USDA online applications and forms within one hour of your account being updated.

You now have access to complete and submit documents and forms electronically. USDA continues to update and make more forms and programs available electronically.

### CRP SIGN-UPS

USDA will conduct a four-week general sign-up for the Conservation Reserve Program (CRP), beginning May 20, 2013 and ending on June 14, 2013.

Additional sign-up offers for continuous CRP practices and initiatives, such as Highly Erodible Land Initiative (HELI), Wetland Restoration Initiative, Upland Bird Habitat Buffer Initiative, and Pollinator Initiative, will be accepted beginning May 13, 2013.

CRP protects the nation's natural resources through voluntary participation, while providing significant economic and environmental benefits to rural communities across the United States.

Currently, about 27 million acres are enrolled in CRP. Producers that are accepted in the program can receive cost-share assistance to plant long-term, resource-conserving covers and receive an annual rental payment for the length of the contract which is 10-15 years.

Contracts on 3.3 million acres of CRP are set to expire on September 30, 2013. Producers with expiring contracts or producers with environmentally sensitive land are encouraged to evaluate their options under CRP.

For more information on CRP and other FSA programs, visit a local FSA service center or [www.fsa.usda.gov](http://www.fsa.usda.gov).

### ACREAGE CERTIFICATION

After spring planting, producers should certify their 2013 acreage. Filing an accurate acreage report for all crops and land uses, including failed acreage and prevented planting acreage, can prevent the loss of benefits for a variety of programs.

Failed acreage must be reported before disposition of the crop. Prevented planting must be reported no later than 15 days after the final planting date.

Acreage reports are required for many Farm Service Agency programs. For spring and summer planted crops, acreage reports are to be certified by July 15, 2013.

For perennial fruit crops, such as, asparagus, apples, blueberries, caneberrries, cherries, grapes, nectarines, peaches, pears, plums, and strawberries, the acreage reporting date is January 15, 2014.

For cabbage planted from June 1 – July 20, the acreage reporting date is August 15, 2013.

For perennial forage and fall seeded small grains, the acreage reporting date is December 15, 2013.

### DCP AND ACRE SIGN-UP CONTINUES

The DCP sign-up period is still open, but will end on August 2, 2013. The ACRE sign-up is also still open, but will end on June 3, 2013.

The 2013 DCP and ACRE program provisions are unchanged from 2012, except that all eligible participants may choose to enroll in either DCP or ACRE for the 2013 crop year. This means that eligible producers who were enrolled in ACRE in 2012 may elect to enroll in DCP in 2013 or may re-enroll in ACRE in 2013. Likewise producers who were enrolled in DCP may opt for ACRE enrollment.

Producers with level 2 access who wish to enroll online should start now. If you encounter a problem with online enrollment, please contact your local FSA office immediately.

Read more about DCP and ACRE or contact your local FSA county office for more information, or an appointment to enroll.

### ADJUSTED GROSS INCOME

USDA and the Internal Revenue Service have established an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent is required from each producer or payment recipient for the tax review process. No actual tax data will be included in the report that IRS sends to FSA.

This ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs.

Participants in CCC programs subject to average AGI rules must submit form CCC-933 to their local FSA Office to avoid interruption of program benefits. This form may be obtained from your local FSA and NRCS offices or online at: <http://intranet.fsa.usda.gov>.

### HIGHLY ERODIBLE LAND AND WETLAND COMPLIANCE

Landowners and operators are reminded that in order to receive benefits from USDA, they must be compliant with Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) provisions. Farmers with HEL determined soils must apply tillage, crop residue and rotation requirements as specified in their conservation plan or approved system.

Producers should notify FSA prior to conducting land clearing or drainage projects to ensure compliance. Landowners and operators can complete form AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification, to determine whether a referral to Natural Resources Conservation Service (NRCS) for a technical determination is necessary.

For more information on Highly Erodible Land and Wetland Conservation provisions, contact a FSA County Office or visit the FSA website at [www.fsa.usda.gov](http://www.fsa.usda.gov).

### NAP APPLICATION FOR COVERAGE DEADLINES

Noninsured Crop Disaster applications are due at different times, depending on the crop being insured.

- August 31 is the next NAP application closing date for canola.
- September 1 is the NAP application closing date for value loss crops such as Christmas trees, aquaculture, turfgrass sod, floriculture, etc.
- September 30 is the NAP application closing date for mechanically harvested forage, grazed forage, and fall seeded small grains.
- November 20 is the NAP application closing date for bi-annual and perennial crops, such as apples, asparagus, blueberries, caneberries, cherries, grapes, nectarines, peaches, pears, plums, rhubarb, and strawberries.
- December 1 is the NAP application closing date for honey.

Producers should apply for Noninsured Crop Disaster Assistance Program (NAP) coverage using form CCC-471 (Application for Coverage). Related service fees are due when the application is filed. The application and service fee MUST be filed by the crop sales closing date. Contact your local FSA office for the filing dates for your crops

## 2011 SUPPLEMENTAL REVENUE ASSISTANCE PROGRAM APPLICATIONS (SURE)

During 2011, all Illinois counties except for Boone, DuPage, Grundy, Kane, Kendall, Lake, McHenry, Marshall, and Putnam Counties received a Secretarial Disaster Designation, whether primary or contiguous, and producers are eligible to apply for SURE benefits if they experienced at least a 10 percent production loss that affects one crop of economic significance. Producers outside a declared disaster county, but with production losses greater than or equal to 50 percent of the normal production on the farm, may also qualify for SURE.

To meet program eligibility requirements, producers must have obtained a policy or plan of insurance through the Federal Crop Insurance Corporation or obtained Noninsured Crop Disaster Assistance Program (NAP) coverage for all economically significant crops. Eligible farmers and ranchers who meet the definition of a socially disadvantaged, limited resource or beginning farmer or rancher do not have to meet this requirement. Forage crops intended for grazing are not eligible for SURE benefits.

For more information on SURE program eligibility requirements contact your local FSA office or visit the website at <http://www.fsa.usda.gov/sure>.

## Marketing Assistance Loans

Marketing Assistance Loans, also referred to as Commodity Loans, are available to producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop through the time of application. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if you regain beneficial interest.

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.

## UNAUTHORIZED DISPOSITION OF GRAIN

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the County Office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call before you haul or dispose of any grain under loan.

## FINAL AVAILABILITY DATES FOR MARKETING ASSISTANCE LOANS & LOAN DEFICIENCY PAYMENTS

- May 31-Corn, Soybeans, Grain Sorghum, Rice, and Cotton

## MAINTAINING THE QUALITY OF GRAIN UNDER LOAN

Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

## FARM STORAGE FACILITY LOAN PROGRAM

The Farm Storage Facility Loan Program (FSFLP) allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The maximum principal amount for each loan through FSFL is \$500,000.00. 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. Additional security is required for poured-cement open-bunker silos, renewable biomass facilities, cold storage facilities, hay barns and for all loans exceeding \$50,000.00. FSFL 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.

Producers may choose to apply for a FSFL, requesting their loan proceeds be disbursed as a partial disbursement and final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final 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. A 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 please visit your local FSA county office or [www.fsa.usda.gov](http://www.fsa.usda.gov).

#### BEGINNING FARMER LOANS

FSA has a program to assist 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 than 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
- Except for operating loan assistance, does not own farm acreage in excess of 30 percent of the county's median size

Each member of an entity must meet the eligibility requirements. Loan approval is also dependent on acceptable feasibility and security determinations.

Additional program information, loan applications, and other materials are available at the local USDA Service Center or by visiting [www.fsa.usda.gov](http://www.fsa.usda.gov).

#### 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 to purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, 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.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

## GUARANTEED LOAN PROGRAM

The Farm Service Agency loan limit for the Guaranteed Loan Program has increased to \$1,302,000. The limit is adjusted annually based on data compiled by the National Agricultural Statistics Service.

The maximum combined guaranteed and direct farm loan indebtedness has increased 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.

## RURAL YOUTH LOANS

The Farm Service Agency makes loans to rural youth to establish and operate agriculture 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 \$5000.

For more information you can stop by your local FSA county office. Our staff can help with preparing and processing the application forms.

## LAND CONTRACT (LC) GUARANTEES

The Land Contract (LC) Guarantee Program is a valuable tool to transfer farm real estate to the next generation of farmers and ranchers. Guarantees will be offered to the owner of a farm who wishes to sell real estate through a land contract to a beginning or socially disadvantaged farmer or rancher. The guarantee reduces the financial risk to the seller.

FSA offers two types of guarantees:

- Prompt Payment Guarantee - A guarantee up to the amount of three amortized annual installments plus the cost of any related real estate taxes and insurance.
- Standard Guarantee - A guarantee of 90 percent of the outstanding principal balance under the land contract.

The guarantee period is 10 years and the contract payments must be amortized for a minimum of 20 years. The purchase price of the farm cannot exceed the lesser of \$500,000 or the market value of the property.

For additional information you can read the [Land Contract Guarantee Program Fact Sheet](#)

<b>MAY 2013</b>	
<b>90-Day Treasury Bill</b>	<b>.125%</b>
<b>Farm Operating Loans — Direct</b>	<b>1.375%</b>
<b>Farm Ownership Loans — Direct</b>	<b>3.50%</b>
<b>Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher</b>	<b>1.50%</b>
<b>Emergency Loans</b>	<b>1.50%</b>
<b>Farm Storage Facility (7 year)</b>	<b>1.250%</b>
<b>Farm Storage Facility (10 year)</b>	<b>1.875%</b>
<b>Farm Storage Facility (12 year)</b>	<b>2.125%</b>
<b>Commodity Loans</b>	<b>1.125%</b>

<b>Dates to Remember</b>	
May 27, 2013	Memorial Day – FSA Offices Closed
May 31, 2013	Deadline to Apply For 2013 MAL's
June 3, 2013	ACRE sign up ends
June 7, 2013	2011 SURE sign up ends
July 4, 2013	Independence Day – FSA Offices Closed
July 15, 2013	Deadline to certify spring and summer planted crops
August 2, 2013	DCP sign up ends
December 15, 2013	Deadline to certify 2014 perennial forage and 2014 fall seeded small grains
January 15, 2014	Deadline to Certify Perennial Fruits
Continuous sign up	Farm Storage Facility Loans