Hispanic and Women Farmers
A process to resolve the claims of Hispanic and women farmers and ranchers who believe they were discriminated against when seeking USDA farm loans has been established.

If you believe that the United States Department of Agriculture (USDA) improperly denied farm loan benefits to you between 1981 and 2000 because you are Hispanic, or because you are female, you may be eligible to apply for compensation.

For additional information on this and other settlement issues contact:

- Hispanic and Women Farmer Claims Process: www.farmerclaims.gov or call 1-888-508-4429
- Pigford – The Black Farmers Discrimination Litigation: www.blackfarmercase.com or call 1-866-950-5547
- Keepseagle - The Native American Farmers Class Action Settlement: www.IndianFarmClass.com or call 1-888-233-5506

Land Contract (LC) Guarantee Program
Are you interested in transitioning real estate to the next generation? The Land Contract Guarantee Program is available to assist in that transition by offering options to guarantee the seller’s interest in a land sale contract. This guarantee gives existing land owners an additional option for selling their farm while also providing incentives for sellers to give opportunities to beginning, female, or minority farmers.

There are two types of guarantees available:
- The Standard Guarantee offers protection against loss for up to 90 percent of the outstanding principal balance under the land contract.
- The Prompt Payment Guarantee covers up to three annual installments, plus the cost of any related real estate taxes and insurance.

The Land Contract Guarantee Program offers another level of protection for the seller in case of default by the buyer. Land sales under this program are limited to a $500,000 purchase price. FSA’s guarantee is also limited to the first ten years of the contract. The contract balance must be amortized for a minimum of 20 years, with equal payments during the term of the guarantee.

Contact your local FSA office for additional information.

Farm Loan Program Rule Change
A recent change was made to the Agency’s lending rules for all applicants. The change allows more flexibility in the minimum experience rule which must be met to become eligible for farm loan assistance. FSA loan officers are now allowed to consider prior farming experience, if experience was gained more than five years ago when supplemented by either on-the-job training or recent education. It is anticipated that this change will provide an opportunity for more family-sized farmers and ranchers to meet eligibility criteria for FSA Farm Operating and Ownership Loans.

For clarification or more information on this change, contact your local Farm Loan Manager.

CRP General Sign-up
The Conservation Reserve Program (CRP) is offering a general sign-up period from March 12, 2012 through April 6, 2012. CRP has successfully protected our natural resources while providing economic and environmental benefits to rural communities for the past 25 years.

Landowners enrolled in CRP receive annual rental payments and cost-share assistance to establish long-term, resource conserving covers on environmentally sensitive land. Land that is not currently enrolled in CRP can be offered during signup if all eligibility requirements are met. Offers for CRP contracts will be ranked according to the Environmental Benefits Index (EBI). Each eligible offer is ranked in comparison to all other offers and then a selection is made.

Nationwide, there are currently about 30 million acres enrolled in CRP and an estimated 6.5 million acres will expire on Sept. 30, 2012.

For more CRP information, please contact your local FSA office.

County Committee Advisors
County Office Committees (COC) have recently named COC Advisors, if there is not current representation. As a COC
Advisors serve for a 12 month period not to exceed nine consecutive years. They attend each COC meeting, including executive sessions and participate. One of their primary responsibilities is to increase awareness of and participation in FSA activities, including elections. They help develop interest and incentives for socially disadvantaged group members to consider FSA work as a career. Advisors also solicit candidates from socially disadvantaged groups for nomination during the election process.

**Important - AGI Reconciliation Process**

FSA’s “Adjusted Gross Income (AGI) Reconciliation Process” begins when FSA is notified that the IRS has not received a valid “Consent to Disclosure of Tax Information” form. There are two distinct reasons a producer is included on an FSA AGI Reconciliation Report:

1. IRS did not receive a consent form from the producer or
2. IRS rejected the consent form.

If IRS notifies FSA of one of the above situations, FSA’s National Office directs the producer’s Recording FSA County office to reconcile the report. The county office staff will then contact a producer and have them complete a CCC-931 “Average Adjusted Gross Income (AGI) and Consent to Disclosure of Tax Information”.

It is then the FSA County Office responsibility to mail the completed CCC-931 consent form to IRS.

Failure to provide the required “Consent to Disclosure of Tax Information” forms may render a producer ineligible for FSA program benefits and require repayment of benefits received.

Producers who have already submitted CCC-931 for 2009, 2010 and 2011 require no further action.

**MILC Program Requirements Reminder**

Dairy producers must meet program requirements in order to maintain eligibility in the event that prices drop and trigger a MILC payment.

To maintain program eligibility, MILC participants must notify their local FSA office of any operation changes, such as a change in producer, shares, address or bank routing number. In order for dairy producers to receive a MILC payment, they must meet adjusted gross income (AGI) requirements by completing, "CCC-931 - AGI Certification and Consent to Disclosure of Tax Information."

Dairy producers who want to enroll in MILC must fill out, "CCC-580 - Milk Income Loss Contract" and select a start-month for which the Commodity Credit Corporation (CCC) will begin issuing payments to the dairy operation. Current dairies that participate in MILC can make changes to their start-month with certain restrictions.

Any start-month changes must be made on or before the 14th of the month before the selected MILC production start-month. The change must also be made before requesting payment and before the original MILC production start-month has passed.

Changes to the dairy operation start-month must be designated on FSA’s form, "CCC-580M - Milk Income Loss Contract (MILC) Modification."

For more information about the MILC program, please contact your local FSA office or visit the web at: www.fsa.usda.gov.

- All producers with an interest in DCP base acres must be included on the DCP/ACRE contract and receive a proportionate share of DCP/ACRE payment for the farm.
- All producers receiving a share greater than zero on the DCP/ACRE contract must sign the contract no later than June 1, 2012.
- Changes on the farm after enrolling June 1st in DCP/ACRE must be reported to your local FSA office such as:
  - Ownership changes
  - Producer changes (Individuals and Entities)
  - Change in crop shares arrangements

**Note:** Changes cannot be made after Sept. 30, 2012.

**Supplemental Revenue Assistance Program (SURE)**

The sign-up for 2010 losses runs through **June 1, 2012.**

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters that occurred during the 2010 crop year. SURE is available to eligible producers on:

- Farms in counties with Secretarial disaster declarations, including contiguous counties, that have incurred crop production or quality losses, or both, and includes all crops grown by a producer nationwide, except grazed crops.
- Any farm in which, for the crop year, the actual production on the farm because of disaster-related conditions is 50 percent or less than normal production of the farm.

**Actively Engaged**

USDA has amended the rules that govern the requirements to be ‘actively engaged’ in farming. These rules apply to eligibility for payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election
SURE, Livestock Forage Program, Treeaster Assistance Programs such as to remain eligible for the agency’s Dis- for insurance coverage on crops in order. Producers are reminded about the need local FSA office for specific crop appli- is March 15, 2012. Please contact your seeded crops for the majority of the state crop. The final closing date for spring- service fees by the closing applications for coverage must be filed for a disaster strikes. Noninsured Crop Producers must apply for coverage be- the site.

Remember Hay Net
Producers are encouraged to use Hay Net on the FSA website (http://www.fsa.usda.gov/haynet). This online service allows producers with hay and those who need hay to post ads so they can make connections. Hay Net is a popular site for farmers and ranchers who have an emergency need. Individual ads can be posted free of charge by producers who complete a simple online registration form the first time they use the site.

NAP Enrollment
Producers must apply for coverage before a disaster strikes. Noninsured Crop Disaster Assistance Program (NAP) applications for coverage must be filed using Form CCC-471 and the applicable service fees by the closing date. Application closing dates vary by crop. The final closing date for spring-seeded crops for the majority of the state is March 15, 2012. Please contact your local FSA office for specific crop application sales closing dates.

Producers are reminded about the need for insurance coverage on crops in order to remain eligible for the agency’s Disaster Assistance Programs such as SURE, Livestock Forage Program, Tree Assistance Program, and Emergency Livestock Assistance Program. Producers must purchase at least catastrophic (CAT) level of insurance for all insurable crops. NAP provides coverage to producers for non-insurable crops when low yields, loss of inventory or prevented planting occur due to natural disasters. Crops eligible for NAP coverage are those for which crop insurance is not available, including fruits and vegetables, aquaculture, pecans, turf grass and forage crops just to name a few. More information about NAP may be found on the FSA website located at http://www.fsa.usda.gov

FSA Payment Record 1099-G
Producers who have received payments from FSA should have received a CCC-1099-G. A CCC-1099-G is a report to the Internal Revenue Service about FSA payments made to producers during the previous calendar year. The CCC-1099-G is a service to help participating producers report taxable income. It is not intended to replace the program participant’s responsibility to report income to the IRS.

When the CCC-1099-G is received, it should be checked with your records to see that the amounts are correct. Refunds will no longer be reported on the 1099-G, but will be available online from the FSA Financial Inquiries (FSA-FI) web-based database. Program participants with an eAuthentication user ID and password may access their refund information at FSA-FI and select “Inquiry Type 1099/Refund Reports”. Refund amounts are displayed on the Producer’s Year-to-Date Activity web page.

If you have a question concerning the 1099-G refund information, you may contact your local FSA office for assistance locating the correct payment data.

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 inter-
est 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.

Final Availability Dates for Marketing Assistance Loans
- April 2 - Barley, Canola, Crambe, Flaxseed, Honey, Oats, Rapeseed, Wheat, Sesame Seed
- May 31 - Cotton, Corn, Dry Peas, Grain Sorghum, Lentils, Mustard Seed, Rice, Safflower Seed, Chickpeas, Soybeans, Sunflower Seed

Maintaining the Quality of Loaned Grain
Bins are ideally designed to hold a level volume of grain. When bins are over-filled 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.

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 any grain under loan.
**Honey Loans**

Honey loans are a type of marketing assistance loan and they are available until April 2, 2012. The national loan rate for honey is $0.69 per pound. Market prices currently exceed the loan rate, so LDPs are not available at this time.

To be eligible for a loan, the producer must have produced honey in the United States during the calendar year for which the loan is requested, and extracted the honey on or before Dec. 31 of the applicable crop year; have continuous beneficial interest in the honey through date of repayment of the loan; and been responsible for the financial risk of keeping. Producers are responsible for maintaining the quality of farm-stored honey during the term of the loan.

The containers must be marked with the producer’s name, type of honey, number of container and net weight. Pre-loan inspections are required before the loans can be disbursed.

Honey used as collateral may not be disposed of without approval of the county office staff.

**Beginning Farmer & Ranchers**

Wondering how to get started in farming? The Farm Service Agency (FSA) can answer your questions. FSA offers a wide range of loans and services to meet the needs of beginning farmers. FSA’s experienced loan officers provide individualized planning to assist new farmers in building and growing their businesses.

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
- Does not own farm acreage greater than 30% of the median size farm in the county (for real estate loan eligibility)

Applications and additional information are available at your local FSA office or online at [www.fsa.usda.gov](http://www.fsa.usda.gov).

**Loans for the Socially Disadvantaged**

Farm Service Agency (FSA) has loan programs available to assist eligible minority and socially disadvantaged farmers with buying and operating family-size farms and ranches. FSA’s experienced loan officers can assist in finding resources and in providing individualized planning to serve the needs of underrepresented groups in the agricultural community.

The Farm Service Agency has also established the office of Minority and Socially Disadvantaged Farmers Assistance (MSDA) to work with minority and socially disadvantaged farmers who have concerns or questions about loan applications or other FSA programs.

If you are involved with farming or ranching and wish to be included in the Minority Farm Register, additional information and the registration form (AD-2035) are available at [www.fsa.usda.gov](http://www.fsa.usda.gov). Registration information can be sent to the following address:

FSA Office of Minority and Socially Disadvantaged Farmers Assistance
USDA Stop Code 0503
1400 Independence Ave., SW
Washington, DC 20250-0503

Only name, address, signature, and date are required for participation.

**Farm Storage Facility Loan**

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 minimum 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 may be different and are based on the rate which CCC borrows from the Treasury Department.

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 for cold storage facilities

Readers are advised that dates for FSA programs in Iowa could be county-specific. Please contact your local FSA office for detailed information pertaining to you operation.

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay).