June 2013

Cass County FSA Updates

Cass County FSA Office

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County Committee 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 Aug. 1, 2013. For more information contact your local FSA office.

CRP Sign-up Ends June 14th

Enrollment for the Conservation Reserve Program (CRP) ends June 14, 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 Sept. 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.

Crop 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 within 15 days of the disaster event and 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 crops enrolled in programs other than NAP (Noninsured Crop Disaster Assistance Program), acreage reports are to be certified by the November 15 deadline on small grains and a July 15 deadline on all other crops.

Acreage reports on crops covered by NAP are due in the county office by the earlier of November 15 for small grains and July 15 for all other crops, or 15 calendar days before the onset of harvest or grazing of the specific crop acreage being reported.

Sodbusting

Farmers and ranchers should be aware that if they use highly erodible land for crop production without proper conservation measures, they risk losing eligibility to participate in Farm Service Agency programs.

Before producers clear, plow or otherwise prepare areas not presently under crop production for planting, they are required to file an AD-1026, indicating the area to be brought into production.

If Natural Resources Conservation Service indicates that the area will be highly erodible land, the producer will be required to develop and implement a conservation plan on the affected acreage before bringing land into production.

Direct and Guaranteed Loans

The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, or regularly borrow from FSA, direct and guaranteed loans are currently available.

Ask your lender about an FSA loan guarantee if you've had a setback and your lender is reluctant to extend or renew your loan.

Guaranteed loans have a maximum limit of $1,302,000. This makes the maximum combination of direct and guaranteed loan indebtedness $1,602,000.

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.

To find out more about FSA loan programs, contact the county office staff.

Beginning and Limited Resource 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

§ Does not own a farm in excess of 30 percent of the county's median 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 the local USDA Service Center or visit www.fsa.usda.gov and www.nrcs.usda.gov .

Loans for the Socially Disadvantaged

.FSA has farm operating loans as well as loans to purchase or improve farms or ranches to assist applicants to begin or continue in agriculture production. While all qualified producers are eligible to apply for these loan programs, FSA has priority funding for socially disadvantaged applicants.

A socially disadvantaged applicant is a person who is a member of a group that has been subjected to racial, ethnic or gender prejudice without regard to the members' 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 available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

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 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 and permanent drying and handling equipment. New loan terms of seven, 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.

Payments are available in the form of a partial disbursement and the remaining final disbursement. The 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.

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

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).