

March 2014



- FARM STORAGE FACILITY LOAN PROGRAM
- OUTREACH TO WOMEN AND NEW PRODUCERS
- FARMING OPERATION CHANGES

Lenawee County FSA Updates

Lenawee County FSA Office

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County Committee Members:
Michael Feight - Chair
Dale Terry - Vice Chair
Genie Hillard - Member
Stephanie Thompson - Advisor

Farm Loan Manager:
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Program Technicians:
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Next County Committee Meeting: April 10 at 8:00 am

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 permanent farm storage and handling facilities.

The maximum principal amount of a loan 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 and permanent handling equipment. 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. March rates are:

- 7-Year Loan Term: 2.1250
- 10-Year Loan Term: 2.7500
- 12-Year Loan Term: 2.8750

The following commodities are eligible for farm storage facility loans:

- Corn, soybeans, oats, wheat, barley or minor oilseeds harvested as whole grain
- Corn, wheat, oats or barley harvested as other-than-whole grain
- Hay
- Renewable biomass
- Fruits (including nuts) and vegetables - cold storage facilities
- Honey

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.

To enhance repayment ability, multi-peril crop insurance or NAP is required for each year of the loan term. Fruit and vegetable producers, who produce a minimum of 3 different fruits and/or vegetables, may qualify for a waiver of this requirement if determined unfeasible by the State FSA Committee.

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A series of improvements to the program have been developed to better tailor loans to finance on-farm storage and handling for small and mid-sized farms. The changes also for the first time allow FSFL's to cover the structure and equipment required to get fruits and vegetables washed, treated and packed along with cold storage.

The area of a structure required to house eligible handling equipment is eligible, in addition to the cold storage space. The handling equipment needs for fruit and vegetable producers are unique, based on the farming operation. Crops must go through certain processes before they can be placed in cold storage for quality to be maintained. Because of this the following equipment is also eligible for loan as long as it is permanently affixed.

- boxers and baggers
- washers, waxers and polishers
- bulk bin tippers
- case palletizers
- cold dip tanks
- fruit/vegetable conveyors
- food safety-related equipment (for example, sanitizers or pre-washing filter tanks)
- hydrocoolers
- ice machines
- quality graders
- sealants, sizers, sorting bins/tables

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

Outreach to Women and New Producers

Perhaps you have recently become involved in farming, or have been involved in farming for years with your spouse, but you want to learn more about FSA programs?

Do you want to better understand the benefits or requirements of a program? Do you want to know what we offer specifically for "Beginning Farmers"? Do you want to be more informed on the County Committee election process and be more involved? Please join us for informal meetings, especially for you, on any first Wednesday of the month from 9:00 -10:00 a.m. The topics will vary depending on your interests. There will be an informal presentation and discussion. Please call 263-7400 and press 2. Ask what the topic for the next meeting will be and let us know if you want to reserve a spot.

Farming Operation Changes

Producers who have bought or sold land, or added or dropped rented land from their operation must report those changes to the FSA office as soon as possible. A copy of the deed or recorded land contract for purchase property is needed to maintain accurate records with FSA. Failure to do so can lead to possible program ineligibility and penalties. While making record updates, be sure to update signature authorizations. Making record changes now will avoid delays in program enrollment.

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).