



NEWSLETTER



August, 2012 Edition

Adams County FSA

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Office Hours

Mon. – Fri. 8:00 a.m. – 4:30 p.m.

County Committee

LeRoy Watson Jr.
Greg Galbreath
Matt Miller
Trish McRae

Office Staff

Chris Holt, Executive Director
Angela Melcher, Program Technician
Jullie Cain, Program Technician
Karin Neilsen, Program Technician
Elizabeth Sitton, Program Technician

Farm Loan Program Staff

Libby Anderson, Farm Loan Manager
Nancy Seger, Farm Loan Officer
Blanca Helton, Farm Loan Officer

Contact Farm Loan Staff at:

(509) 754-2463

Next COC Meeting

September 20, 2012

And the Nominees Are . . .

The nomination period for candidates seeking to serve on the Adams County Farm Service Agency Committee closed on August 1, with the following persons submitting a nomination petition to serve as representative for Local Administrative Area (LAA) 1, for a three year term.

John Galbreath

Ryan Kuch

Mike Schrag

Thank you to each of these persons for volunteering their services if elected. The County Committee system is an important part of the USDA process, providing the farm community with a local voice in helping to administer federally mandated programs. Ballots will be mailed to all persons within LAA 1 during the early part of November; final date to return ballots is Monday, December 3, 2012. Ballots will be tabulated during the regular County Committee meeting, on Thursday, December 6, 2012, beginning at 9:30 a.m. The meeting is open to the public.

Continuous CRP Practices Added

New changes to the Conservation Reserve Program (CRP) will make it easier to enroll land meeting certain criteria into the program on a non-competitive basis. However, signup under these new initiatives ends **September 30, 2012**.

The Highly Erodible Land initiative allows producers to non-competitively enter land with an Erosion Index (EI) of 20 or greater into CRP. An (EI) of 20 means, on average, this land has the potential to erode at 20 tons of soil per acre per year. Producers may enroll qualifying acreage without having to wait for a general signup period. Washington State is authorized to accept up to 10,300 acres under this initiative.

Other new practices include one which develops a mix of plants that bloom throughout the growing season for pollinators, and another practice which allows for installation of 20-120 foot wide field borders for upland birds. Land offered for pollinator habitat must be at least 20 feet in width and individual plantings must be a minimum of 0.5 acres. There are no maximum limits on width or contract size. Field borders are typically installed around entire fields, but at a minimum, must be installed where runoff enters or leaves the field.

All initiatives require offered lands to have been planted to an annual crop or conserving use in at least four years from 2002-2007. Land currently in CRP and within one year of the contract expiration date may also be enrolled under the new initiatives. Soil rental rates are based on the productivity of the soils contained in the offer. Cost share is available for installing required covers on all CRP practices. In addition, activities on pollinator habitat or field border contracts are eligible for an additional 40% practice incentive payment (PIP) for cover establishment, and a \$150 per acre signup incentive payment (SIP). Highly Erodible Land Initiative offers are not eligible for PIP or SIP incentives. For more information, please contact our office.

CRP Emergency Haying and Grazing Authorized

In response to wide spread drought conditions and livestock feed needs nationally, the Secretary of Agriculture has authorized certain acres under CRP to be used for haying or grazing under emergency conditions. In Washington, Adams, Benton, Douglas, Franklin, Grant, Kittitas and Yakima counties were designated, due to drought monitor designation of D-0 or greater (abnormally dry) during some portion of the current grazing season.

Producers must file an application with their local FSA office prior to conducting any haying or grazing activity. Under these provisions, haying and grazing may begin now but haying may not exceed August 31, 2012, and grazing may not exceed September 30, 2012. A 10 percent payment reduction will apply to CRP acres that are hayed or grazed under this specific emergency provision and all parties to the contract must agree to the practice. The same CRP acreage cannot be both hayed and/or grazed, and 50% of each field/contract must be left undisturbed.

Old Bank of Whitman Direct Deposits

One of the results of the merger of Bank of Whitman into Columbia State Bank was a change in bank routing information on direct deposits on file in our office. We were allowed a grace period in which to obtain the updated direct deposit information for customers remaining with Columbia State bank, which is due to expire at approximately the same time as final payments will be coming out. Customers who continued with Columbia State Bank after the transition are encouraged to contact our office to update direct deposit information so we can ensure your payments get to the proper accounts. Thanks in advance.

Farm Storage Facility Loan Program Still Available

The Farm Storage Facility Loan (FSFL) program provides low interest financing to farmers and ranchers for the purpose of building or upgrading farm storage and handling facilities. Eligible commodities for farm storage facility loans include: corn, wheat, barley or minor oil seeds as well as pulse crops, hay, renewable biomass and cold storage for fruits and vegetables. A producer applying for loan must have an interest in farm production as owner or operator and be able to demonstrate storage needs based on a 3-yr average minus current storage.

Loans require 15% cash down, multi-peril insurance coverage on all commodities produced, and structure insurance naming CCC as loss payee. For all loans with principal in excess of \$50,000, security interest in real estate where the structure is located is required. In addition, real estate is required as security on loans of less than \$50,000 unless it can be established that value of the structure only will provide adequate security. Loan terms are available for 7, 10 or 12 years based on loan principal amounts, which may not exceed \$500,000, to be repaid in equal annual installments. Current interest rates vary from 1.0% for 7 year terms, to 1.875% for 12 year terms.

FSFL applications require a \$100 (non-refundable) loan fee for processing. In addition, certain fees associated with collateralization of loans requiring real estate for security are the responsibility of the borrower. For more information in the FSFL program please contact your local FSA office or on line at www.fsa.usda.gov.

Commodity Loans and Measurement Services

Nonrecourse 9 month loans are again available for grains, oilseeds and pulse crops grown on farms participating in the DCP/ACRE programs. August interest rate is 1.25%. Loans are available on either farm stored, or warehouse stored production. Fees are \$45 per loan, plus an additional \$3 per bin in excess of 1 or warehouse receipt in excess of 1. Loan rates are determined by the county in which the commodity is stored. Adams County rates for 2012 grains are as follows; \$3.04 for soft white wheat, \$3.27 for hard red spring wheat, \$3.46 for hard red winter wheat, and \$2.20 for barley. Loan rates are reduced by 30% for farms enrolled in the ACRE program. For additional crop loan rates, you may contact our office.

Measurement service is also available for producers who wish to establish a record of production on farm stored grain prior to disposal (e.g. using for seed/feed). Measurement service rates include a basic fee of \$30.00, plus a fee of \$16 per hour for work performed. There are no longer any charges for mileage (this is now covered within the basic fee amount). We generally complete measurement services on one day each week due to staffing limitations, so if you will need measurements prior to seeding please plan a bit in advance of your scheduled seed treatment appointment.

New Check Collection Process for Farm Service Agency

Producers who make payments by check to the Farm Service Agency can expect to see a change soon in how those checks are processed. FSA is adopting an electronic method for processing check payments from customers. Using the electronic method, if you submit a paper check payment, either in person or through the mail, the check will be converted into an Electronic Funds Transfer (EFT) using Over the Counter Channel (OTCnet), a web-based application. The transfer of funds will be reflected on your bank account statement. The transaction may be recorded in a different place on your statement than where your checks normally appear, such as under "other withdrawals" or "other transactions." You have protections under Federal law for an unauthorized electronic fund transfer from your account. You should contact your financial institution immediately if you believe that the transaction reported on your account statement was not properly authorized or is otherwise incorrect.

It is important for you to have sufficient funds in your bank account because the electronic transfer of funds could occur within 24 hours. FSA will hold the paper check for up to 14 calendar days to ensure that the transaction was successfully processed and then the check will be shredded. You will not receive the paper check back from FSA.

The agency is implementing the new system to reduce the possibility of losing or misplacing checks, speed up the check clearing process and to reduce the potential for human error. For more information regarding electronic check processing, contact the county FSA office or see the U.S. Department of Treasury Internet site by clicking on the following link: <http://fms.treas.gov/otcnet/legal.html>.

Noninsured Assistance Program Important Dates

The application closing dates to purchase coverage for the 2013 crop year for fall planted crops under the Non-insured Crop Disaster Assistance Program (NAP) are as follows:

Crops	Application Closing Date
Onions, radish, carrots, and cabbage (for seed or fresh); value loss crops (aquaculture, Christmas Trees, turf grass sod, floriculture, mushrooms); and any fall planted crops not mentioned below.	August 31
Perennial grazing crops; perennial forage crops; forage seed crops; mint; garlic.	September 30
All perennial crops not listed in the 9/30 category (berries, fruit trees, grapes, asparagus); honey.	November 20

To apply for NAP coverage, the application must be filed on or before the application closing date for the crop and NAP fees must be paid. The coverage fee is \$250 per crop, up to a \$750 cap per county and the maximum for multiple crops in more than one county is \$1,875 per crop year. In return, the crop is covered from catastrophic loss of production or prevented planting due to natural disaster conditions. Those producers who bought coverage last year (if not already) will soon receive crop specific continuous coverage letters with instructions for fee payment for the 2013 crop coverage year.

To be eligible for NAP benefits, production loss must be attributed to adverse weather conditions. Losses must be reported to FSA within 15 days after the adverse weather event or when the loss becomes evident. NAP requires an appraisal by loss adjustor if damaged crops will be destroyed or not taken to harvest. You may receive a payment if all eligibility requirements have been met and the crop suffers greater than a 50% production loss for weather related damages.

NAP policies require annual reporting of crop acreage and submission/certification of production evidence on a yearly basis not later than the final acreage reporting date for the subsequent year.

Reconstitutions Using Landowner Designation

Reconstitutions using designation by landowner method allow for division of crop bases in a manner agreed to by the parent farm owner and purchaser. Landowner designation may be used when part of the farm is sold or transferred to one or more parties, or all of a farm is sold or transferred to two or more parties; all persons sign FSA-155 to initiate the reconstitution; an MOU designating base division is completed by all parties; and the land has been owned for at least three years prior to request. More detailed information on the applicability of this method of reconstitution is available from our office by request.