



NEWSLETTER



March, 2012

**Pierce County
Farm Service Agency**

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Fax- (253) 445-9934

Office Hours

Mon. – Fri. 8:00 a.m – 4:30 p.m.

County Committee

Lucy Cerqui, Chair
Joy Garitone, Vice-Chair
Harry Petersen, Member
Paddy Lewis Irwin, Member

Office Staff

George R. Jaquish, CED
Kathy Modin, PT

Next COC Meeting

April 25, 2012

Farm Loan Staff

Mark Tuner, FLM
(360) 354-5658
Jeff Peterson, SFLO
(360) 748-0084

Dates to Remember

- March 11 Daylight Saving Time Begins

More Information may be found at <http://www.fsa.usda.gov/wa>

Reporting Weather Damage

Prompt weather-related disaster reporting is crucial for FSA to determine the need for disaster declarations. Disaster declarations trigger availability of emergency loans and in some instances, additional disaster assistance programs.

Damage reports aren't just limited to crops. They can include damage to structures, eroded farmland or livestock mortality. Helpful documentation includes the specific location of the farm damage, date and time of the disaster event, the type of damage (hail, wind, etc), what was affected and the estimated percent of loss. Photographic evidence of significant damage will also be helpful as both FSA and insurance agents use them in support of future program applications and cumulative damage reports.

Disaster designation triggers availability of low-interest loans and direct payments under the Supplemental Revenue Assistance Payment Program (SURE) for farmers and ranchers in the county. SURE benefits help offset the loss of farm revenue associated with the disaster year. Emergency loans may be used to replace essential property or pay production costs associated with the disaster year. They may also be used to pay essential living expenses, reorganize a farming operation or refinance certain debts.

Tax Reporting – Check Your Statement

During the last week of January, producers who have received payments from FSA should receive a CCC-1099-G from the Kansas City office.

A CCC-1099-G is a report for the Internal Revenue Service about FSA payments made to you 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.

If you received a CCC-1099-G, we recommend that you check the amounts shown with those in 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 eAuthentication user ID's and passwords can 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. If you choose to visit the office, bring your CCC-0199-G with you.

Deadlines for Non-Insured Crop Disaster Assistance Program

The application closing date to purchase coverage for the 2012 crop year for spring planted crops under the Non-insured Crop Disaster Assistance Program (NAP) is 3/15.

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 NAP application for coverage fee is \$250 per crop, up to a \$750 cap per county. 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.

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. 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.

Some of the basic eligibility requirements include annual reporting of crop acreages, providing actual production evidence on a yearly basis, obtaining a loss adjustor appraisal if the damaged crop will be destroyed or left unharvested.

Contact the county office if you would like more information or are interested in applying for NAP coverage.

Emergency Loan Program

USDA's Farm Service Agency (FSA) provides emergency loans to help producers recover from production and physical losses due natural disaster or quarantine.

Emergency loan funds can be used to restore or replace essential property, pay production expenses for the disaster year, pay family living expenses, reorganize the farming operation, and to refinance certain debts.

Applicants must be able to demonstrate a 30 percent loss in a single production enterprise, or have physical losses as a result of the disaster. Qualifying applicants may receive up to 100 percent of production or physical losses. Applications must be received within eight months of the county's disaster or quarantine designation date.

Emergency loans can be made to farmers or ranchers who own or operate land in a county declared by the President as a disaster area or designated by the Secretary of Agriculture. They must be established farmers, citizens or permanent residents, be unable to receive credit elsewhere, and have collateral and repayment ability.

Borrowers can borrow up to \$500,000. The term of the loan is based on the repayment ability of the applicant, not to exceed 20 years for production losses or 40 years for losses of real estate. Please contact Senior Farm Loan Officer, Jeff Peterson at (360) 748-0083 Ext#2 to discuss this program

Disaster Debt Set-Aside Program

When Farm Service Agency (FSA) direct loan borrowers are located in a designated disaster area or contiguous county, and are unable to make their scheduled payments on any debt, FSA is authorized to consider set-aside of some payments to allow the operation to continue.

Borrowers have eight months from the date of designation to apply for the

program. A complete application includes a written request from all liable parties, actual production, income and expense records for the period in which disaster occurred, and other items as required. Production, income and expense records are not required in instances where the agency already has the information.

Borrowers are eligible to receive the disaster set-aside based on the following: (1) The borrower is unable to pay all family living and farm operating expenses, payments to other creditors and payments to FSA (2) The borrower must have operated the farm or ranch at the time of the disaster. (3) Each loan considered for disaster set-aside must have been outstanding at the time of the disaster. (4) The borrower must be current or not more than one installment behind on any FSA loan. (5) The loan considered for disaster set-aside must have at least a term of 2 years remaining on the payments. (6) After the disaster set-aside is completed, the borrower must be current with FSA payments. (7) The amount set aside cannot exceed one year's FSA payment. (8) Each loan can only receive one disaster set-aside. (9) The borrower must be able to develop a positive cash-flow projection for the coming year.

Each payment set-aside must be repaid prior to the final maturity of the note. Any principal set-aside will continue to accrue interest until it is repaid.

GovDelivery

The Farm Service Agency is moving toward a paperless operation. Producers are asked to enroll in the new GovDelivery system which will provide notices, newsletters and electronic reminders instead of a hard copy through the mail. Please contact us for instructions and information.