



NEWSLETTER



August 2012

Stevens County

Farm Service Agency

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Office Hours

Mon. – Fri. 8:00 a.m. – 4:30 p.m.

County Committee

Doug Falstad, Chair
Ryan Esvelt, Vice-Chair
Bruce Stumpf, Regular Member
Gayla McCanna, Advisor

Office Staff

Martin Cunningham, CED
marty.cunningham@wa.usda.gov

Lisa VanQuekelberg, PT
lisa.vanquekelberg@wa.usda.gov

Farm Loan Manager

Houston Bruck, Spokane WA

Dates to Remember

September 30 – NAP sales closing date for hay and pasture crops

FSA Web sites:

WA State:
www.fsa.usda.gov/wa

National:
www.fsa.usda.gov

County Committee Election

The nomination period for candidates seeking to serve on the Stevens County Farm Service Agency Committee closed on August 1, with one nomination. Current Chairperson, Doug Falstad has agreed to serve again, 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. The final date to return ballots is Monday, December 3, 2012. Ballots will be tabulated during the regular County Committee meeting, on Friday, December 7, 2012, beginning at 9:00 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. Sign up 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 sign up 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 sign up incentive payment (SIP). Highly Erodible Land Initiative offers are not eligible for PIP or SIP incentives. For more information, please contact our office.

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-year 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

Non-recourse 9 month loans are again available for grains, oilseeds and pulse crops grown on farms participating in the DCP/ACRE Program. The interest rate is 1.25% for the month of August. 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 one or warehouse receipt in excess of one. Loan rates are determined by the county in which the commodity is stored. Stevens County per bushel loan rates for 2012 grains are \$2.91 for soft white wheat, and \$2.14 for barley. For additional crop loan rates, you may contact our office.

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, 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.

Noninsured Crop Disaster Assistance Program Important Dates

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

August 31 – 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.

September 30 – Perennial grazing crops, perennial forage crops, forage seed crops, mint and garlic.

November 20 – All perennial crops not listed in the 9/30 category (berries, fruit trees, grapes, asparagus) and honey.

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.

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 or 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 form 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.