



NEWSLETTER



April 2012
ALASKA
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FSA State Director's Column

Strengthening the Connection between USDA and Alaska's rural villages: Taking the show on the road!

Alaska's rural communities face serious challenges. Many lack basic infrastructure, such as sewer and water systems, reliable energy sources, broadband access, or roads and bridges. Unemployment rates are sky high. People in these areas need more jobs and economic opportunities. In the stores, healthy food is not available or affordable. Most food is flown in, and is extremely high in cost and low in quality. Affordable or quality housing is also hard to find.

USDA has a wide range of programs to help communities with these challenges. However, because of the remoteness of Alaska's villages, and other barriers, it has been difficult to connect our USDA programs with the needs of these communities. Particularly in the area of food production, USDA programs can help people in small villages grow more of their own food. Whether it's expanding a potato patch, constructing a hoop house, or building a profitable controlled environment greenhouse, USDA staff and programs can help communities create jobs, increase food security, and make more healthy food available.

So, we've decided that one way to help make a better connection with our rural communities is to take the USDA show on the road. Starting this month, and continuing through the rest of this year, USDA and several other federal agencies will be meeting with village leaders in rural hub communities to share information about our programs and discuss ways to increase participation.

The first meeting will be April 13 in Bethel. Topics for discussion will be:

- food production, availability and nutrition

- rural housing
- programs of the Natural Resource Conservation Service (NRCS)
- rural electric, telecom, water and sewer utilities
- rural economic and community development

Participating USDA agencies include Rural Development (RD), Farm Service Agency (FSA), Natural Resource Conservation Service (NRCS), and the Food and Nutrition Service. Other federal agencies include the Department of Housing and Urban Development (HUD), Small Business Administration (SBA), Economic Development Administration (EDA), the Department of Energy (DOE), and the Denali Commission. The Alaska outreach director for the nonprofit Intertribal Agriculture Council will facilitate the meeting.

Future meetings are scheduled for Nome, Ketchikan, and other key hub communities around the state.

You can follow this series of meetings at <http://www.rurdev.usda.gov/AKTribalBlog.html>

Sincerely,

New Continuous CRP Initiative

FSA has announced a new conservation initiative to protect up to 750,000 acres of the nation's most highly erodible croplands by enabling them to plant wildlife-friendly, long-term cover. This initiative will assist producers in targeting their most highly erodible cropland with an erodibility index of 20 or greater.

Producers can enroll land on a continuous basis beginning this summer. With the use of soil survey and geographic information system data, local FSA staff can quickly determine a producer's eligibility for the initiative.

Producers are encouraged to contact their local FSA office or visit FSA's website at www.fsa.usda.gov/crp for additional CRP information.

**NOTICE
TO HISPANIC
AND/OR
WOMEN
FARMERS OR
RANCHERS
COMPENSATION
FOR CLAIMS OF
DISCRIMINATION**

If you believe that the United States Department of Agriculture (USDA) improperly denied farm loan benefits to you between 1981 and 2000 because you are Hispanic, or because you are female, you may be eligible to apply for compensation.

To register your name to receive a claims packet, call the Farmer and Rancher Call Center at 1-888-508-4429 or visit: www.farmerclaims.gov

The claims package will have detailed information about the eligibility and claims process.



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BCAP Project Area Sign-up

Applications are being accepted for the USDA Farm Service Agency's next round of Biomass Crop Assistance Program (BCAP) Project Areas. Proposals will be accepted until April 23, 2012.

BCAP provides incentives to farmers and forest landowners to grow non-food crops to be processed into biofuels. Because most energy crops are perennial and take time to mature before harvest, BCAP is designed so sufficient quantities of feedstock will be available to meet future demand. Since these crops can grow where other crops cannot, it provides farmers new opportunities to diversify into more markets.

The BCAP Project Areas where these crops are grown will be selected from proposals producers or biomass facilities submit to FSA. The Request for Proposal and additional information can be found at www.fsa.usda.gov/bcap.

DCP/ACRE Sign-Up

The 2012 Direct and Counter-cyclical Program (DCP) enrollment runs from Jan. 23, 2012 through June 1, 2012. Here are some IMPORTANT REMINDERS:

- All producers planting on **DCP base** acres must be identified on the DCP/ACRE contract and receive a proportionate share of DCP/ACRE payment for the farm.
- Changes on the farm after June 1 enrollment in DCP/ACRE **must** be reported to your local FSA office. Changes may include:
a) Ownership changes, b) Producer changes (Individuals and Entities), c) Change in crop shares arrangements
- No changes can be made after Sept. 30, 2012.

Adjusted Gross Income

USDA and the Internal Revenue Service have established an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent is required from each producer or payment recipient to initiate the tax review process. No actual tax data will be included in the report that IRS sends to FSA.

This ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1

million nonfarm average AGI for conservation programs.

Participants in CCC programs subject to average AGI rules must submit form CCC-931 to their local FSA County Office by June 15 to avoid interruption of program benefits. This form may be obtained from local FSA and NRCS offices or online at: <http://forms.sc.egov.usda.gov/eForms/welcom.eAction.do?Home>.

Acreage Certification

Time is nearing for producers to certify their 2012 acreage. Filing an accurate acreage report for all crops and land uses, including failed acreage and prevented planting acreage, can prevent the loss of program benefits.

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 FSA programs. For crops enrolled in programs other than NAP (Noninsured Crop Disaster Assistance Program), acreage reports are to be certified by the July 15 deadline on all spring seeded small grains and all other crops.

Acreage reports on crops covered by NAP or RMA crop insurance are due in the county office by the earlier of July 15, for small grains Cabbage, Potatoes, and all other crops, or 15 calendar days before the onset of harvest or grazing of the specific crop acreage being reported. Perennial Forage, and Fall-Seeded Small Grains must be certified by December 15.

Farm Safety

Flowing grain in a storage bin or gravity-flow wagon is like quicksand; it can kill quickly. When a person is caught in flowing grain it takes less than five seconds to be trapped. The mechanical aspects of grain handling equipment also present a real danger. Augers, power take-offs and other moving parts can grab arms, legs, hair or clothing.

These hazards, along with pinch points and missing shields, are dangerous enough for adults; not to mention children. It is always advisable to keep children a safe distance from operating farm equipment. Always use extra caution when backing or maneuvering farm machinery. Ensure everyone is visibly clear and accounted for before machinery is engaged. FSA wants all farmers to have a productive crop year, and that begins with putting safety first.

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.

If you've had a setback and your current lender is reluctant to extend or renew your loan, ask your lender about an FSA loan guarantee

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans have a maximum limit of \$1,214,000. This makes the maximum combination of direct and guaranteed loan indebtedness \$1,514,000.

The one-time loan origination fee charged on FSA guaranteed farm ownership and operating loans has increased from 1 percent to 1.5 percent of the guaranteed portion of the loan. This applies to loans obligated after October 1, 2011. To find out more about FSA loan programs, contact the county office staff.

Farm Storage Facility Loan Program

The Farm Storage Facility Loan (FSFL) program 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 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.

Funds are made available in two parts: an early partial disbursement and the 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.

Rural Youth Loans

The Farm Service Agency makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization's advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5,000.

Youth Loan Eligibility Requirements:

- United States citizenship (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien status;
- Between 10 years to 20 years of age;
- Comply with FSA's general eligibility requirements;
- Reside in a rural area, city or town with a population of 50,000 or fewer people;
- Be unable to get a loan from other sources;
- Conduct a modest income-producing project in a supervised program of work as outlined above;
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms.

Unauthorized Disposition of Grain

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call the county office before you haul any grain.

Minority Farm Register – Now Open for Minority Farmers and Ranchers

Farm Service Agency (FSA) encourages minority farmers and ranchers in Alaska to voluntarily join the USDA Minority Farm Register to receive information and opportunities from USDA agencies. The new Minority Farm Register is an outreach tool designed to reach underserved farmers and ranchers who are not currently enrolled in USDA loan, farm or conservation programs.”

By joining the Register, minority producers may receive outreach materials, newsletters, and program announcements from USDA agencies. They may also receive information and assistance from other USDA-approved outreach partners, such as community-based organizations, faith-based organizations, and minority-serving educational institutions. USDA will carefully control access to and use of the Register.

Registration forms are available in Spanish (AD-2035SP) and English (AD-2035) on the FSA web site <http://www.fsa.usda.gov> under “Forms”.

Farm Record Changes

June 1, 2011 is the deadline to provide changes to your farm records at the local FSA office for the 2011 crop year. If you are changing your operation entity type, adding or dropping cropland or farms, or adding entities to your operation, contact the FSA county office by June 1.

Free GovDelivery – Enroll Now

The USDA Farm Service Agency offices are moving into paperless operation to save tax payer dollars. Producers can now enroll in the new GovDelivery system which provides instant electronic deadline reminders, bulletins and newsletters direct to your email address. Now you don’t have to wait for a printed newsletter only occasionally sent through the mail.

County Committee ballots will continue to be mailed to all eligible producers. Producers can subscribe to receive free e-mail updates by visiting www.fsa.usda.gov/subscribe. Give it a try right now.

Selected Interest Rates for April 2012	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	1.250%
Farm Ownership - Direct	3.375%
Limited Resource	5.000%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency	3.750%
Farm Storage Facility Loan	7 year 1.500%
	10 year 2.125%
	12 year 2.375%
Commodity Loans 1996-Present	1.125%

Dates to Remember	
April 23	Deadline for BCAP applications
June 1	2012 DCP Enrollment closes
June 1	Farm Record Changes Deadline
June 1	SURE Sign up ends
July 1	Deadline for spring-planted crop insurance purchase or change
July 1	Deadline for non-insured (NAP) spring crop coverage purchase at FSA

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