



BAKER COUNTY FARM SERVICE AGENCY

September 2009

3990 Midway Dr, Baker City, Oregon 97814
(541) 523-7121 Ext. 2 FAX: (541) 523-2184

COUNTY OFFICE STAFF

Trent Luschen, County Executive
Director
Dyann Brosnan, Program Technician
Joey Berry, Program Technician
Nathan Wilson, Farm Loan Officer
Patty Dadey, Farm Loan Manager

COUNTY COMMITTEE

Wells Wyatt, Chairmen
Perry Jacobs, Vice-Chairmen
Kate Rohner, Member

Conservation Program Participants

Maintenance Requirements: If you are a participant in a Conservation Program (CRP, CREP CCRP), you have an obligation to maintain your intended cover. ALL CONTRACTS must be maintained and kept free of weeds, and invasive species that were not intended to be in the original cover. All components (i.e. fence, water facility etc.) installed under the conservation contract must be maintained for the life of the contract.

Change: The Only Constant

Report all changes in land ownership, operators, **bank accounts**, addresses, new trusts or corporation formed and signature authority. This will allow you to keep your records current, so you can ensure you remain eligible and payable for upcoming payments.

EQIP Signup Underway

Applications for 2010 Environmental Quality Incentives Program (EQIP) funds are continuously accepted at the Baker City NRCS office. Funding categories for 2010 include Forest Soil Erosion Reduction, Upland Water Quality and Improved Irrigation efficiencies. The application cutoff for 2010 funds will be announced at a later date. For additional information about EQIP please visit the Oregon NRCS website at: <http://www.or.nrcs.usda.gov/programs/eqip/index.html> or contact Beau Sorenson at the Baker City NRCS office, 541-523-7121 x115.

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The Baker County Association of Conservation Districts Cordially Invite You to Attend the *Annual Fall Conservation Tour (hosted by the Baker Valley SWCD)*

Showcasing Conservation Projects in Sumpter & Bowen Valley Area

When: September 17th, 2009

Where: 3990 Midway Drive Baker City, OR

Time: 8:00 AM—Leave for Sumpter (or Meet at Whitney Valley at 9:00 AM) 3:00 PM—Return to Baker

LUNCH WILL BE PROVIDED

Please RSVP to 541-523-7121 x 120 by September 14th

Livestock Indemnity Program (LIP) Signup Now In Progress

The Livestock Indemnity Program (LIP) provides assistance to producers for livestock deaths that result from disaster. Using funds from the Agricultural Disaster Relief Trust Fund established under section 902 of the Trade Act of 1974, the program is administered by the USDA Farm Service Agency (FSA). LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to hurricanes, floods, blizzards, disease, wildfires, extreme heat and extreme cold. Eligible losses must have occurred on or after Jan. 1, 2008, and before Oct. 1, 2011. The following table provides the final dates to file a notice of loss and/or application for payment for either 2008 or 2009 livestock losses.

Date of Livestock Death	Final Date to File a Notice of Loss	Final Date to Submit an Application for Payment
Calendar Year 2008	Sept. 13, 2009	Sept. 13, 2009
Jan. 1, 2009 to July 12, 2009	Sept. 13, 2009	Jan. 30, 2010
July 13, 2009 to Dec. 31, 2009	30 days after death is apparent	Jan. 30, 2010

Deadline Change - 2010 NAP Insurance

The deadline to purchase 2010 Non-Insured Disaster Assistance Program (NAP) coverage on all forage and grazing crops except oat forage and grazing has been moved to **November 30th, 2009**. Producers who purchase this coverage must not overlook this major deadline change since there are no provisions for late filed applications.

Producers are reminded that to be eligible for any potential benefit from **Livestock Forage Program (LFP)** you are required to carry insurance on your grazed land to maintain eligibility for a payment. Also, producers are reminded that to be eligible for any potential benefit from the **Supplemental Revenue Assistance (SURE) Program (i.e. crop disaster program)** all mechanically harvested crops must be covered under NAP or FCIC.

To apply for coverage producers must file CCC-471 and pay the applicable service fee of \$250 per crop per county or a maximum of \$750 per producer per county not to exceed a total of \$1875 for producers with farming interests in multiple counties. Limited Resource Farmers, those that had gross farm sales less than \$155,200 and an adjusted gross income (line 37 on IRS form 1040) of \$21,200 or less for the last two tax years are eligible for a waiver of the fee. Future NAP Application Closing Dates are as follows:

August 31 Beets, cabbage, camelina, canola, Christmas trees, flowers, greens, onions, radish

October 1 Asparagus, hops, meadowfoam, sugarbeet

November 20 Apples, apricots, blueberries, caneberries, chestnuts, cherries, cranberries, grapes, hazelnuts, honey, nectarines, peaches, pears, plums, prunes, strawberries, walnuts

November 30 All forage and grazing crops except oat forage and grazing

March 15 Beans, broccoli, cantaloupe, cauliflower, corn, cucumber, lentils, mustard, oats forage and grazing, pears, potatoes, pumpkin, safflower, sunflower, squash, tomato, watermelon

Important reminders concerning NAP:

- Coverage must be purchased by application deadline.
- Acreage Reports must be filed timely.
- Losses must be reported within 15 days of the disaster and before destruction of the crop. Losses must be reported on a CCC-576 Notice of Loss.
- Production records must be submitted. It is crucial to turn in production every year because NAP is based on your own personal yield. When you fail to turn in production, you get a zero in the data base which causes your yield to decrease substantially which in turn reduces your payment in a year of loss.

2010 Summary of Federal Crop Insurance Coverage FCIC Application Closing Dates for Baker County

- Sept. 30th 2009–Wheat, Mint with winter coverage
- March 15th 2010–Barley, Corn (Silage & Earlage), Mint and Potatoes
- May 1st 2009 – Nursery

*Check with your crop insurance agent for more information and potential closing date changes.

FSA Loans

FSA offers loans for farmers and ranchers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, applicants might have suffered setbacks from natural disasters or might be persons with limited resources.

FSA makes two different types of loans, direct and guaranteed. Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans (loans made by a commercial lender where FSA acts as guarantor) can reach a maximum indebtedness of \$1,094,000. Emergency loans are a type of direct loan for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth Loans, Loans to Beginning Farmers and loans for Socially Disadvantaged Applicants are other types of direct loans also available through FSA.

Socially Disadvantaged Applicants (SDA) are one of a group whose members have been subjected to racial, ethnic or gender prejudice because of their identity as a member of the group without regard to their individual qualities. SDA groups are Women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders. Certain FSA loan funds are targeted to beginning farmers and SDA.

For detailed information on loan eligibility or the different loan programs available, contact Nathan @ 541-523-7121 x107

Attention: Agricultural Groups

Do you want FSA to come to your meeting and talk about what FSA has to offer you? If so contact Trent Luschen at 541-523-7121 extension 106 or by email at trent.luschen@or.usda.gov

MAINTAINING DCP/ACRE CROPLAND

Direct & Counter-cyclical Program/ACRE Program participants are required to protect all idle contract acres from erosion and weeds. Idle fields designated as “contract acres” must have a sod cover, crop residue or volunteer grasses providing at least 75% cover on the soil surface. Weeds are not an acceptable cover and must be controlled. Program benefits will be lost if the County Committee determines the producer failed to demonstrate a good faith effort to control weeds and/or erosion.

FARM STORAGE FACILITY LOAN (FSFL)

This program was already available before the last Farm Bill for producers who needed additional grain storage, but under the new Farm Bill it has changed to now include storage for hay, renewable biomass, and fruit and vegetables. Seven years is the term of the loan unless the amount of the loan is above \$100,000. 10 and 12 year terms are possible depending on the amount of the loan. One partial disbursement before completion is now possible and the maximum loan amount has been increased to \$500,000. New provisions allow borrowers to increase the down payment from 15 to 20% to negate the severance agreement requirement on loans of \$50,000 or less. The application fee is now \$100 versus \$45.

A CCC-185 application must be filed along with a purchase order or contract and written cost estimates. The interest rate used is the rate in effect at the time of initial approval and it remains in effect for the entire term of the loan. The borrower must be a producer of a facility loan commodity, demonstrate a need for increased storage, show the ability to repay (a balance sheet prepared within the last 90 calendar days), have a satisfactory credit rating, have no delinquent nontax Federal debts, be in compliance with local zoning, land use, and building codes, and has not been convicted of a controlled substance violation.

All loans are secured by CCC-186 (Promissory Note and Security Agreement). The useful life of the facility has to be at least 15 years, be built by guidelines established by the OSU Extension Service, and the facilities cannot be used for commercial purposes. Facilities must be used for the purpose for which the storage facility was built for the entire term of the loan. Any portion of a structure not used for storing commodities, such as an office or equipment storage, will not be eligible.

Multi peril crop insurance or Noninsured Crop Disaster Assistance Program (NAP) IS REQUIRED on ALL commodities stored in the FSFL-funded facility, whether economically significant or not. And, insurable facility loan commodities of economic significance on ALL farms operated by the borrower in the county where the storage facility is located IS REQUIRED. For this purpose, economically significant is 10% or more of the total expected value of all crops grown by the FSFL applicant. For those thinking about applying for hay barns, this means that you will have to purchase at least NAP coverage each year for the term of the loan of at least \$250/year. Depending on your operation, this could be up to \$750/year. Once you are in NAP, you will need to abide by the regulations of that program, which will require you to annually file acreage reports, notices of loss, production, etc. However, you will have some coverage if losses exceed 50%. You must also have all peril insurance and, if applicable, flood insurance with CCC as a loss payee on the facility.

The amount of storage needed will be determined by using already filed acreage reports or by taking late-filed reports on the number of acres of hay you have baled for 3 years. This is multiplied by a reasonable yield determined by the County Committee X 2 to allow for 2 years of storage. Any storage you already have is deducted from this to get the size of structure you are eligible for.

Borrowers are required to submit a building plan. The plan doesn't have to be professionally prepared, but must include the type of structure or building design, exact size and shape of it, access, details of site preparation, and base materials. It may contain safety equipment, equipment to monitor the quality, electrical equipment, concrete aprons, and the flooring must be suitable for the region.

Effective August 17, 2009, producers may begin submitting FSFL applications under the new provisions provided in FSFL regulations found at 7CFR Part 1436.

Major changes to the FSFL Program are as follows:

- Adds eligible FSFL commodities as follows:
*fruit/nuts & vegetable cold storage facilities
***hay & renewable biomass**
- Adds FSFL terms of 10 & 12 years
- Authorizes 1 partial disbursement
- Increases the maximum FSFL amount to \$500,000 per FSFL
- Increases the FSFL application fee to \$100/ eligible borrower. FSFL terms are 7, 10 or 12 years.

To be eligible for FSFL, the borrower **MUST**:

- Be a producer of a facility loan commodity
- Demonstrate a need for increased storage capacity
- Show the ability to repay FSFL through the financial analysis process
- Meet all other eligibility requirements

Multi peril crop insurance of NAP is **REQUIRED** on all:

- Commodities stored in the FSFL-funded facility, whether economically significant or not.

Insurable facility loan commodities of economic significance on all farms operated by the borrower in the county where the storage facility is located.

2009 COUNTY COMMITTEE (COC) ELECTIONS

The Baker County Farm Service Agency is currently conducting a Committee election for LAA #2.

Local Administrative Areas or LAA's are elective areas designated within counties. Elections are held each year to replace a member whose three year term will expire. All committee members are eligible to serve a maximum of three 3-year terms (or a total of 9 years if elected).

LAA #2 includes area east of I-84, and north of little lookout mountain.

The nominees for this year's election are:
LAA #2 – Perry Jacobs

Ballots will be mailed to eligible voters on November 6 and must be returned to the FSA Office or post marked by December 7, 2009 to be counted.

All farmers and ranchers and other agricultural producers in LLA #2 are encouraged to participate. The County Committee provides local input on commodity price support loans and payments; establishes yields; oversees conservation programs; disaster assistance programs, as well as many other programs approved in the farm bill.

DO YOU NEED HAY OR HAVE HAY FOR SALE?

The Farm Service Agency's (FSA) electronic Hay Net Ad Service is an Internet-based service allowing farmers and ranchers to share 'Need Hay' ads and 'Have Hay' ads online. Check it out at www.fsa.usda.gov and go to ONLINE SERVICES at the top of the page and then select HAY NET.

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