



NEWSLETTER



**March
2012**

Coos/Curry FSA Office

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2012 Coos/Curry FSA Committee

Beau Allen, Chair
Jim Donaldson, Vice-Chair
Sharon Waterman, Mbr

CREP & Continuous CRP

The Conservation Reserve Enhancement Program (CREP) allows farmers and ranchers to voluntarily enroll environmentally sensitive land into a program that decreases erosion, restores wildlife habitat and safeguards ground and surface water. CREP is a partnership with federal and state government and is limited to specific areas.

Environmentally sensitive acreage qualifying for the Conservation Reserve Enhancement Program (CREP) or Continuous CRP will be eligible for annual rental payments and cost-share of up to 50 percent on approved practices. These targeted programs will remain funded, and continue to provide heightened environmental benefits on select areas.

Prompt Reporting is Key to FSA Disaster Assistance

Prompt weather-related disaster reporting is crucial for FSA to determine the need for disaster declarations, and ultimately provide assistance to farmers and ranchers after a natural disaster event.

We ask producers to note impacts or *potential* impacts to their crops and livestock and report damages to the local FSA office. Even if you *think* you *might* have damage and won't know for sure until later, we ask you to report the *possible* loss situation. Initial reports can be simple and made by telephone, fax, or email.

Disaster designations can trigger the availability of a variety of USDA assistance programs, including: low interest Emergency (EM) loans, Emergency Conservation (ECP) Program payments for damages to land, facilities, and fences; and direct payments under the Supplemental Revenue (SURE) Assistance Program.

Get GovDelivery – Free News, Updates

Farm Service Agency offices are adopting an instant delivery, electronic option. Producers can now enroll in the new **GovDelivery** system which will provide notices, newsletters and reminders via email, rather than costly paper copies delivered through the mail.

FSA, like many other organizations, is working smarter and more efficiently. Conversion to electronic notifications via email helps conserve resources and save taxpayer dollars. County Committee ballots will continue to be mailed to all eligible producers. **Subscribe right now to receive your free e-mail updates instantly by going to:** www.fsa.usda.gov/subscribe or call:

Bret Harris, CED, at (541) 396-4323, ext. 100.

These program benefits can help offset the loss of farm revenue associated with the disaster year. It is important to note that Crop Insurance or NAP coverage can be the first step of recovery from natural disasters, and that coverage is **required** for eligibility for many of our disaster assistance programs.

Helpful documentation includes specific location, time, date, type of damage, what was affected and estimated loss. Photographs of damage will also be helpful as both FSA and insurance agents use them as supporting documentations for applications and damage reports.



Federal Crop Insurance Adjusted Gross Revenue (AGR-Lite) Deadline March 15

March 15 is the final date for **New Producers** to apply for 2012 coverage under AGR or AGR-Lite.

This program provides whole-farm revenue coverage against natural perils and price fluctuations. The AGR program uses a producer's individual 5-year historical farm "average revenue" as reported to IRS (Schedule F or equivalent) and an annual farm report as a base to provide a level of guaranteed revenue for the insurance period.

Insurance coverage is provided against *revenue losses* due to any unavoidable natural occurrences during the insurance year **and/or** against market price changes that cause a loss of revenue. AGR *guarantees income* to protect savings, investments, and future earnings. This is a *self-help* USDA program, with coverage and cost determined by each producer's unique circumstances and crop/revenue history.

Check out information at www.rma.usda.gov or contact FSA for a program Fact Sheet.

Supplemental Revenue Assistance Program (SURE)

The sign-up for **2010 SURE Crop losses** continues through **June 1, 2012**.

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters that incurred in the crop year 2010. SURE is available to eligible producers on:

- Farms in counties with Secretarial disaster declarations, including contiguous counties, that have incurred crop production or quality losses, or both, and includes all crops grown by a producer nationwide, except grazed crops.
- Any farm in which, for the crop year, the actual production on the farm because of disaster-related conditions is 50 percent or less than normal production of the farm.

1099-G

Producers who have received FSA payments should have received a CCC-1099-G, a report to the IRS about FSA payments made to producers the previous calendar year. The report 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.

When the CCC-1099-G is received, it should be checked with 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 an eAuthentication user ID and password may 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.

Actively Engaged

USDA has amended the rules that govern the requirements to be 'actively engaged' in farming. These rules apply to eligibility for payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE) program administered by FSA.

Normally the stockholder or a member of a legal entity **must** make contributions of active personal labor and/or active personal management for the farming operation. The contributions are to be performed on regular basis, must be identifiable, and separate from the contributions of others.

The exception to this rule for a stockholder or member of a legal entity only occurs when both of the following apply:

- At least half of the interest in the legal entity is held by stockholders or members who are providing active personal labor or active personal management; and
- The total direct payments received by the legal entity and each of the members can't exceed \$40,000.

Marketing Assistance Loans

Marketing Assistance Loans (MAL or Commodity Loans) are available to producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop through the time of application. Once beneficial interest is lost, the commodity is ineligible for loan — even if you regain beneficial interest.

Violating provisions of a MAL may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans. The most common violations are removing or disposing of a commodity without prior authorization and providing an incorrect quantity certification.

Spousal Signatures

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

An exception to the rule: spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities. Individual signatures are **required on the CCC-931 AGI form** and certain loan documents. For more clarification on spousal signature

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.



USDA is an equal opportunity provider and employer.

Farm Loan Programs

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, direct and guaranteed loans are currently available.

Ask your lender about an FSA loan guarantee if you've had a setback and your lender is reluctant to extend or renew your loan.

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.

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, for loans obligated after October 1, 2011.

Rural Youth Loans

FSA Makes loans to rural youth to establish and operate income-producing projects in connection with 4-H, FFA, and other Ag related student organizations.

Projects, under the guidance of an advisor, must produce income to repay the loan and provide practical experience. The maximum loan amount is \$5,000.

Beginning and Limited Resource Farmers

FSA assists beginning farmers and or members of socially disadvantaged groups to finance agricultural enterprises. Under these designated loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

Has operated a farm for not more that 10 years; Will materially and substantially participate in the operation of the farm; Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA; Does not own a farm in excess of 30 % of the county's median size.

Loans for the Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of Socially Disadvantaged groups.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of a group.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

Land Contract (LC) Guarantee Program

The Farm Service Agency (FSA) makes loans through the Land Contract (LC) Guarantee Program. The LC Guaranteed Loans will be offered to the owner of a farm who wishes to sell real estate through a land contract to a beginning farmer or a farmer who is a member of a socially disadvantaged group.

A land contract is an installment contract between a buyer and a seller for the sale of real property, in which complete ownership of the property is not transferred until all payments under the contract have been made.

Guarantees can be used for financing the purchase of a farm with a purchase price up to \$500,000 on a new land contract. FSA offers two types of guarantees under this program.

Prompt Payment Guarantee: A guarantee of up to the amount of three amortized annual installments plus the cost of any related real estate taxes and insurance; or

Standard Guarantee: A guarantee of 90 percent of the outstanding principal balance under the land contract.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit www.fsa.usda.gov

Noninsured Crop Disaster Assistance Program (NAP)

The noninsured crop disaster assistance program (NAP) is a federally funded program that helps producers reduce their risk when growing food and fiber crops, specialty crops and crops for livestock feed. These benefits are only available for crops for which the catastrophic level of crop insurance is not available. Application for coverage must be filed by the applicable crop's application closing date.

Production records and applications for payment for all crops must be reported to FSA no later than the acreage reporting date for the crop for the following year. FSA requires that any production reported in a loss year be verifiable according to Agency specifications. *NAP Losses must be reported within 15 days of loss.*

March 15 is the upcoming deadline for most spring planted crops. Contact your FSA County Office for deadlines and more information.

General Conservation Reserve Program (CRP) Sign-up 43

USDA announced that the next **general CRP signup will be held from March 12, 2012, through April 6, 2012.** Land that is not currently enrolled in CRP may be offered for enrollment during CRP signup 43. In addition, CRP participants with contracts expiring on September 30, 2012, may submit offers. Accepted contracts for CRP signup 43 will begin on October 1, 2012.

CRP is a voluntary program that helps agricultural producers use environmentally sensitive land for conservation benefits. Producers enrolled in CRP plant long-term, resource conserving covers to control soil erosion, improve water and air quality and develop wildlife habitat. In return,

FSA provides participants with rental payments and cost-share assistance. Contract duration is between 10 to 15 years. FSA administers CRP, while other USDA agencies and partners provide technical support. More information on CRP is available online at www.fsa.usda.gov. Or, you can contact your local FSA office for detailed information on program eligibility requirements and/or submitting CRP offers.

Selected Interest Rates for March 2012

Farm Operating - Direct	1.375%
Farm Ownership - Direct	3.375%
Farm Ownership – Direct, Joint Financing	5.000%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency Loan – Amount of Actual Loss	3.750%
Conservation Loan	3.375%

Dates to Remember

Jan. 23	2012 DCP Enrollment began
March	Women's History Month
Mar. 15	NAP deadline for most spring planted crops
Mar. 15	Deadline to purchase 2012 AGR-Lite
Apr. 6	CRP Sign-up 43 Offer Deadline
June 1	2012 DCP Enrollment ends
June 1	2010 SURE Sign up ends
On Going	CREP Sign-up

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