

January 2014



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Klamath County FSA Updates

Klamath County FSA Office **KLAMATH COUNTY IS ELIGIBLE FOR EMERGENCY LOANS**

2316 South Sixth Street
Suite C

Klamath Falls, OR 97601

Phone: 541-883-6924

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County Executive Director:
Jennifer Slmon, CED x107

Farm Loan Manager:
Jim Jutson

Klamath County was declared a contiguous disaster due to drought and heat using the streamlined Secretarial Disaster Designation process. Under this designation, producers with operations in any primary or contiguous county are eligible to apply for low interest emergency loans.

The streamlined disaster designation process issues a drought disaster declaration when a county has experienced a drought intensity value of at least a D2 (severe drought) level for eight consecutive weeks based on the U.S. Drought Monitor during the crop year.

Farm Loan Officer: Chris Kirby x 104
Emergency loans help producers recover from production and physical losses due to drought, flooding and other natural disasters or quarantine.

Program Technicians: Dawn Rose x 102
Rowena Chase x 108
Producers have eight months from the date of the declaration to apply for emergency loan assistance. FSA will consider each loan application on its own merits, taking into account the extent of losses, security available and repayment ability. Producers can borrow up to 100 percent of actual production or physical losses, to a maximum amount of \$500,000.

Next County Committee Meeting:
March 7, 2014 at 9:00 AM
For more information about emergency loans, please contact your local FSA office or visit www.fsa.usda.gov.

PAYMENT ELIGIBILITY FOR 2013 AND PRIOR YEARS

Program payments are limited by direct attribution to individuals or entities. A legal entity is defined as an entity created under Federal or State law that owns land or an agricultural commodity, product or livestock. Through direct attribution, payment limitation is based on the total payments received by the individual, both directly and indirectly. Qualifying spouses are eligible to be considered separate persons for payment limitation purposes, rather than being automatically combined under one limitation. Individuals and entities must be “actively engaged in farming” with respect to a farming operation in order to be eligible for specified payments and benefits. To be “actively engaged in farming,” the individual or entity must make significant contributions to the farming operation of: (1) capital, equipment, land, or a combination; and (2) personal labor or active personal management, or a combination. Payments and benefits under certain FSA programs are subject to some or all of the following:

- payment limitation by direct attribution
- payment limitation amounts for the applicable programs
- actively engaged in farming requirements
- cash-rent tenant rule
- foreign person rule
- average AGI limitations

No program benefits subject to limitation will be provided until:

- all required forms for the specific situation are provided
- necessary payment eligibility and Payment limitation determinations are made
- after 2009, a farm operating plan is not required to be filed annually, if the farming operation continues to be conducted as reflected on the farm operating plan and supporting documents are on file in the County Office
- if any changes occur that could affect an actively engaged in farming, cash-rent tenant, foreign person, or average Adjusted Gross Income (AGI) determination, producers must timely notify the County Office by filing revised farm operating plans and/or supporting documentation, as applicable. Failure to timely notify the County Office may adversely affect payment eligibility.

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MICROLOAN PROGRAM

The Farm Service Agency (FSA) developed the Microloan (ML) program to better serve the unique financial operating needs of beginning, niche and small family farm operations.

FSA offers applicants a Microloan designed to help farmers with credit needs of \$35,000 or less. The loan features a streamlined application process built to fit the needs of new and smaller producers. This loan program will also be useful to specialty crop producers and operators of community supported agriculture (CSA).

Eligible applicants can apply for a maximum amount of \$35,000 to pay for initial start-up expenses such as hoop houses to extend the growing season, essential tools, irrigation and annual expenses such as seed, fertilizer, utilities, land rents, marketing, and distribution expenses. As financing needs increase, applicants can apply for a regular operating loan up to the maximum amount of \$300,000 or obtain financing from a commercial lender under FSA's Guaranteed Loan Program.

Individuals who are interested in applying for a microloan or would like to discuss other farm loan programs available should contact their local FSA office to set up an appointment with a loan official.

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FOREIGN BUYERS NOTIFICATION

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA.

All individuals who are not U.S. citizens, and have purchased or sold agricultural land in the county are required to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form (FSA-153) could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, Realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

FSA SIGNATURE POLICY

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits. The following are FSA signature guidelines:

Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office

Spouses shall not sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities

For additional clarification on proper signatures contact your local FSA office.

Please contact Jennifer Simon, County Executive Director, at (541) 883-6924 x 107, jennifer.simon@or.usda.gov or for Farm Loans, please contact Jim Jutson, Farm Loan Manager, at (541) 673-6071 x 108, jim.jutson@or.usda.gov.

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write:
USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence
Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800)
877-8339 (Local or Federal relay),
(866) 377-8642 (Relay voice users).