

## **USDA - FARM SERVICE AGENCY – KLAMATH CO**

**Voice: 541.883-6924 Ext 2      FAX: 541.882-9044**

**2316 South Sixth Street Suite C Klamath Falls, OR 97603**



[www.fsa.usda.gov/or](http://www.fsa.usda.gov/or)

### **COUNTY COMMITTEE**

Les Sturm Chair  
Ron Stewart Vice-Chair  
Garry Freitag  
Gerda Hyde, Advisor

### **OFFICE STAFF**

Jennifer Simon, CED X107  
Dawn Rose, PT X 102  
Dorothy Scull, Farm Loan Officer, X 104  
*Farm Loan Manager, Roseburg OR*  
Mary Hope , PT X105  
Rowena Chase, PT X 109  
*Jim Jutson, 541.673.6071 X108*

**Hours: Mon-Fri, 8:00 am – 4:30 pm**

**Publish Date: September 22, 2009**

## **Loan Deficiency Payments (LDP) Available**

What are LDP's? Loan Deficiency Payments, commonly known as LDPs, are payments that become available to producers because of low market prices for a particular crop. What triggers an LDP? LDP's are triggered when the actual market price falls below an established loan rate for the crop. For example Barley has an established loan rate of \$2.15 per bushel. That amounts to \$89.58 per ton. On September 1 prices for Klamath County were reported at \$2.04 per bushel. Because the actual price on September 1 was below the established loan rate of \$2.15 producers were eligible for a deficiency payment of \$0.11 per bushel or \$4.58 per ton. In order to receive an LDP, producers must first file a CCC-633EZ Page 1. This form must be filed before selling the crop, known as losing beneficial interest, or before feeding. Producers must also submit an acreage report for all cropland and complete eligibility paperwork. When you want to receive your LDP you simply file page 2 of the 633 for grain crops or page 4 for wool or mohair. Your LDP will be processed on the day page 2 or 4 is received in the county office or on the day you lost beneficial interest, whichever day comes first. Crops must have been harvested prior to applying for an LDP. For crops harvested as silage or hay a conversion factor will be used to convert to a grain equivalent. You can track the daily rates at [www.fsa.usda.gov](http://www.fsa.usda.gov). Click on the View Daily LDP and PCP rates on the right and then select the State and County. You may also call the FSA office.

## **Now Taking Applications for Farm Storage Facility Loans on Hay Barns, Vegetable Storage Facilities, Renewable Biomass and Grain**

If you are short on storage you may be interested in applying for a Facility Loan (FSFL) to construct new or additional storage. With the implementation of the 2008 Farm Bill, FSA is now able to provide loans on hay barns, vegetable storage facilities, renewable Biomass Storage facilities as well as grain storage. Participants are 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. Loan terms of 7, 10, or 12 years are available depending on the amount of the loan. September interest rates are: 3.25% for 7 year notes, 3.625% for 10 year notes and 4.0% for 12 year notes. In order to qualify producers must have a satisfactory credit rating, demonstrate the ability to repay the loan, provide proof of multi-peril insurance for FSFL commodities, possess no delinquent non-tax federal debt among other requirements. With the application participants must provide a \$100 application processing fee, 90 day budget and be in compliance with applicable laws and regulations. This is just a partial list of requirements. Contact your local FSA office for an application and more information.

## **FSA Your Lender of First Opportunity**

The Farm Service Agency (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 elsewhere.

FSA loans available are: Farm ownership loans up to \$300,000. Operating loans also have a \$300,000 limit. Guaranteed loans can reach a maximum indebtedness of \$1,094,000. Rural Youth Loans for 4 H or FFA youth up to age 18 have a loan limit of \$5,000. Loans to Beginning Farmers, and loans for socially disadvantaged applicants are also available through FSA.

For details on loan eligibility or available loan programs, contact the county office staff for an appointment with a farm loan officer. We encourage you to apply now before funding for 2010 is exhausted.

## **\*NEW\* Livestock Forage Program – Emergency Assistance for Livestock Honey Bees and Farm Raised Fish (ELAP) Applications Now Being Accepted**

The Farm Service Agency is now accepting applications under the Livestock Forage Program from producers for Grazing Losses that occurred in 2008 or 2009 because of drought or fire on rangeland managed by a Federal Agency. In order to qualify for the program producers must have purchased insurance coverage in the form of NAP or other crop insurance for the year of the application. Eligibility for LFP is based upon the US Drought Monitor and the county must have had a drought designation of a D2 drought during the calendar year. The Emergency Assistance for Livestock Honey Bees and Farm Raised Fish (ELAP) program compensates producers for losses due to adverse weather or other loss conditions that are not covered under LIP, SURE or LFP. The ELAP program will compensate producers for feed losses or physical losses not covered under other programs. Both programs require participants to have had purchased crop insurance for their pastures and or crops.

Applications must be received for both programs prior to December 14, 2009. These programs are county specific. Producers are encouraged to contact their respective county office to determine if they may be eligible for LFP in each county.

### **Crop Insurance Needed to Ensure Eligibility for Programs**

With the passage of the 2008 Farm Bill, crop insurance is required to be eligible to participate in some Farm Service Agency Programs. In the past producers would be eligible for Crop Disaster Programs because of an eligible production loss on their crops. With the passage of the 2008 Farm Bill a Disaster Trust Fund was established which funded disaster related programs. This includes the Supplemental Revenue Assurance Program (SURE), the Livestock Forage Program (LFP), and the Emergency Assistance for Livestock Honey Bees and Farm Raised Fish (ELAP).

The SURE program compensates producers for revenue losses on their farm. For the purpose of the program the farm includes all acreage farmed in all counties. Either the entire farm must suffer a 50% loss in revenue for the year or one of the counties that the producer participates in must have a Secretarial Disaster Declaration for the year. Payment is calculated based upon the level of coverage or buy up that the producer has purchased. The higher the level of protection, the higher the payment.

The Livestock Forage Program compensates producers for forage losses due to drought and other conditions. To be eligible for payment the insured pasture must be located in a county with a drought designated as a D2 or higher by the US Drought Monitor.

The Emergency Assistance for Livestock Honey Bees and Farm Raised Fish (ELAP) program compensates producers for losses due to adverse weather or other loss conditions that are not covered under LIP, SURE or LFP. This is not an annual program and is only available at the discretion of the Secretary of Agriculture. All three programs require that producers purchase insurance for their crops. Insurance must be purchased by the closing date for the applicable crop. For crops such as pasture and grain hay crops contact the Farm Service Agency for coverage under the Non-Insured Assistance Program. For other crops contact your crop insurance agent.

### **Noninsured Crop Disaster Assistance Program Deadline Nearing (NAP)**

NAP coverage is available to producers from the Farm Service Agency for crops that are not insurable through crop insurance. Examples include pasture and hay crops from grain and grass. NAP insurance must be purchased to ensure eligibility for programs such as the Livestock Forage Program and for Farm Storage Facility loans. The deadlines for NAP coverage are:

October 1- Asparagus, some mint, triticale grain

November 30- All forage and grazing crops except oats. All grasses and legumes for seed.

March 15- Beans, broccoli, camelina, cauliflower, corn, oats, peas, pumpkin

Eligible producers must apply for coverage of noninsurable crops and pay the applicable service fees at their local FSA office. The service fee is \$250 per crop or up to \$750 per producer per administrative county, not to exceed a total of \$1,875 per producer with farming interests in multiple counties. Limited resource producers are not subject to annual fees.

## Natural Resource Conservation Service Accepting Applications for Conservation Stewardship Program until September 30, 2009

In Oregon, individuals, entities and tribes have the opportunity to enroll just over 200,000 acres of working cropland, grazing land, or non-industrial private forestland in Fiscal Year 2009. Through this program, NRCS provides technical and financial assistance to producers to maintain and manage the existing conservation on their land while also undertaking additional conservation activities. Producers will be eligible for annual payments based upon the type of land enrolled. Information on the CSP program can be found at <http://www.or.nrcs.usda.gov/programs/csp/index.html> or by visiting your local NRCS office.

### Biomass Crop Assistance Program

Biomass conversion facilities can begin signing up to participate in the Biomass Crop Assistance Program. The program provides financial assistance to producers who deliver eligible material to biomass conversion facilities and FSA will provide financial assistance to collect, harvest, store and transport eligible materials. Owners of eligible material can receive financial assistance for delivering qualified biomass to conversion facilities that use biomass for heat, power, bio-based products or advanced biofuels." Biomass conversion facilities and material owners or producers should contact their local FSA offices or visit [www.fsa.usda.gov](http://www.fsa.usda.gov) for more information. Once an agreement is signed between FSA and a facility AND funding through the program is provided, the facilities can begin accepting materials. Producers who sell these materials can apply for matching payments under the collection, harvest, storage and transportation (CHST) component of BCAP.

Eligible material owners or producers, who market eligible material to a qualified biomass conversion facility, may apply for the matching CHST payment at their FSA county office. An application must be submitted before the eligible material is sold and delivered to a qualified biomass conversion facility. After the product is delivered, a producer must provide FSA with documentation of product quantity, quality and payment rate. County offices will validate payment requests with information in the county office and information provided under the terms of MOUs with the qualified biomass conversion facilities.

### County Committee Elections

County Committee elections for LAA 3 are coming up in December of 2009. The committee COC is responsible for administering commodity and conservation programs approved for the County. The committee directs County Office operations by setting policies, reviewing work and fiscal plans and cooperating with other agencies to ensure the best possible service to producer. This year there are three nominations. Below is a biography for each candidate.

Garry Freitag lives in Bonanza and has been a farmer in the Klamath County for the last 55 years where he raises cattle and grows hay and grain. He has participated with the Farm Bureau, been a 4-H beef leader and the director for the Malin Irrigation District. He retired from the Klamath County Assessors Office after 18 years and currently is working out of his home as an appraiser for Frontier Appraisals. Garry has served on the county committee for the past 3 years.

John Bodnar has farmed in Klamath County for over 40 years. He raises hay, grain and cattle. He is a past member of the Klamath County Farm Bureau and had previously served on the county committee. He currently is on the Klamath Fire District 4 board. He also hosts the annual Threshing Bee every fall at his farm where you can see antique machinery at work.

Robert Valladao has raised cattle and sheep in Klamath County for 23 years. He currently serves on the Klamath County Farm Bureau board, the Oregon State Farm Bureau Governmental Affairs board, Natural Resources board and the Land Use Board. He has been a 4-H livestock leader for 19 years.

Voters will receive their ballots beginning November 6. Ballots must be returned by December 7.

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Important Dates	
Ongoing	CREP Applications, Farm Storage Facility Loans
October 1, 2009	Deadline NAP Coverage for Asparagus and Triticale Grain
November 30, 2009	Deadline to Purchase NAP Coverage for Pasture and Most Forage Crops
December 14, 2009	Deadline Livestock Forage Program and Emergency Livestock Program
December 7, 2009	Last Day to Return Ballots for COC Elections
September Interest Rates	
Operation Loans 3.0%	Commodity Loans 1.5 %
Farm Ownership Loans 4.875%	Farm Storage Facility Loans 7 Year 3.250% , 10 Year 3.625%
	Farm Storage Facility Loans 12 Year 4.0%