



February 2014

## **Emergency Conservation Program (ECP)**

**Lake County  
Farm Service Agency  
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Lakeview, OR 97630  
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FAX: (541) 947-2070  
[www.fsa.usda.gov/OR](http://www.fsa.usda.gov/OR)**

**Hours  
Monday - Friday  
8:00 a.m. - 4:30 p.m.**

**County Committee  
Jim McNeley  
Martin Landa  
LeeRoy Horton**

**Next county  
committee meeting is  
scheduled for  
March 18, 2014 at  
1:00 p.m.**

**Office Staff  
Marti Hamilton**

A lack of moisture, over an extended period of time, has caused producers in Lake County to suffer from the effects of severe drought conditions. Farms experiencing severe drought conditions may be eligible for cost-share assistance under the Emergency Conservation Program (ECP). This disaster program is administered by the U.S. Department of Agriculture, Farm Service Agency (FSA), which provides cost-share assistance if the damage is so severe that water available for livestock has been reduced below normal to the extent that the livestock cannot survive without additional water. Only those farms or ranches that had adequate livestock watering systems or facilities before the drought are eligible for cost-share assistance.

A producer qualifying for ECP assistance may receive cost-shares not to exceed 50% of the cost of installing eligible temporary measures or 75% of the cost of installing eligible permanent measures. Cost-share assistance is limited to \$ 200,000 per person per natural disaster—producer must have sustained an estimated minimum of \$ 1,000 in damages to qualify for the program.

Approved practices and measures include:

- Installing pipelines, troughs and tanks for livestock water
- Constructing or deepening wells for livestock water
- Developing springs or seeps for livestock water
- Hauling water for livestock

At their next regular meeting on March 18, 2014 the Lake County FSA Committee will consider requesting ECP funding from the National Office. Producers who anticipate the need for outside assistance to provide supplemental emergency livestock water for the upcoming grazing season should contact the county office to provide the specific type of assistance needed and the estimated cost of this assistance. Documentation of the extent of the need for the county is critical in this process—funding for the program is very limited and funding requests will be prioritized at the National Office level.

## **Lake County is Eligible for Emergency Loans**

Lake County was declared a contiguous disaster county (primary counties were Modoc, California and Washoe, Nevada) due to drought 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.

Emergency loans help producers recover from production and physical losses due to drought, flooding and other natural disasters or quarantine.

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.

For more information about emergency loans, please contact your local FSA office or visit [www.fsa.usda.gov](http://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 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:**

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 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
- 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.

## **Beginning Farmer Loans**

FSA assists beginning farmers to finance agricultural enterprises. Under these designated farm 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 than 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 percent of the county's median size.

## **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 the county office to set up an appointment.

## **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 applicants.

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 the group without regard to his or her individual qualities.

For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

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

<b>Selected Interest Rates for February 2014</b>	
90-Day Treasury Bill	.125%
Farm Operating Loans — Direct	2.00%
Farm Ownership Loans — Direct	4.25%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	3.00%
Farm Storage Facility Loans	
7 year term	2.375%
10 year term	3.000%
12 year term	3.125%
Sugar Storage Facility Loans	3.375%
Commodity Loans 1996-Present	1.125%

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