



NEWSLETTER



August
2012

Drought Disaster Assistance

USDA has streamlined the disaster designation process, lowered emergency loan rates and created greater CRP flexibility to help farmers and ranchers in drought-stricken areas across the country.

FSA's low-interest emergency loans will help producers recover from losses due to drought, and other natural disasters. The interest rate has been reduced to 2.25 percent, providing a much-needed resource for producers hoping to recover from production and physical losses associated with natural disasters.

New guidelines were announced for emergency haying and grazing on Conservation Reserve Program (CRP) land. Annual rental payments for farmers enrolled in the CRP, who use those lands for emergency grazing and hay production, will be reduced by 10 percent instead of 25 percent. Also, because of the current severe drought, all counties with a drought level of D 0 or higher, as measured by the US Drought Monitor, are approved for emergency haying and grazing outside of the primary nesting season (PNS). Interested landowners should check with the county office to obtain information on beginning and ending dates for emergency haying and grazing in their county.

USDA encourages all farmers and ranchers to contact their crop insurance companies and local USDA Farm Service Agency Service Centers, as applicable, to report damages to crops or livestock loss. In addition, USDA reminds livestock producers to keep thorough records of losses, including additional expenses for such things as feed purchased due to lost supplies. More information about federal crop insurance may be found at www.rma.usda.gov. Additional resources to help farmers and ranchers deal with disaster losses may be found at www.usda.gov/disaster.

Reporting NAP Losses

The CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. Timely filing of a Notice of Loss is required for all crops including grasses. For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP) and crop insurance, you must file a CCC-576, Notice of Loss, in the county office within 15 days of the occurrence of the disaster or when losses become apparent.

Highly Erodible Land Sign-Up

The Highly Erodible Land Initiative sign-up under the Conservation Reserve Program (CRP) began on July 23, 2012. The purpose of this initiative is to protect up to 750,000 acres of the nation's most highly erodible croplands. Producers may enroll at the county office. Enrollment will continue until the 750,000 acre limit has been met.

CRP is a voluntary program designed to help farmers, ranchers and other agricultural producers protect their environmentally sensitive land. Through this Highly Erodible Land Initiative, eligible landowners receive annual rental payments and cost-share assistance to establish long-term, resource conserving covers on eligible cropland and maintain it for a period of 10 years. Croplands with an erodibility index of 20 or greater are eligible for enrollment. For more information producers are encouraged to contact the county office or visit FSA's website at: www.fsa.usda.gov/crp

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

**County Committee
Jim McNeley
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Adjusted Gross Income

USDA and the Internal Revenue Service have established an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent is required from each producer or payment recipient for the tax review process. No actual tax data will be included in the report that IRS sends to FSA.

This process ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments and; \$1 million nonfarm average AGI for conservation programs.

Actively Engaged

FSA wants to remind producers about the eligibility rules that require program applicants to be “actively engaged” in farming. These eligibility rules apply to payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE) program administered by FSA.

To be eligible, the stockholder or a member of a legal entity **must** normally make contributions of active personal labor and/or active personal management on 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 applies only if 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, both directly and indirectly, by the legal entity and each of the members doesn't exceed \$40,000.

Electronic Services Available

With Internet access, program participants can access many services from home 24 hours a day, seven days a week, and receive both approvals and direct deposit payments within 48 hours.

To participate in these electronic services, you must meet all program eligibility requirements. Online services have stringent security measures to protect your private information.

To utilize electronic services a producer needs an active USDA eAuthentication Level 2 account, which requires an e-mail address and filling out an online registration form at www.eauth.usda.gov/ followed by a visit to the county office for identity verification.

If you have more questions, or would like assistance establishing your account, just contact the county office.

FSA Farm Loans

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, contact the county office for details about direct and guaranteed loans.

Ask your current lender about an FSA loan guarantee if you've had a setback and your current 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 is 1.5 percent of the guaranteed portion of the loan.

To find out more about FSA loan programs, contact the county office staff to schedule an appointment.

Preventing Fraud

The Farm Service Agency supports the Risk Management Agency in the prevention of fraud, waste and abuse of the Federal Crop Insurance Program. FSA has been, and will continue to, assist RMA and insurance providers by monitoring crop conditions throughout the growing season. FSA will continue to refer all suspected cases of fraud, waste and abuse directly to RMA. Producers can report suspected cases to FSA, RMA, or the Office of the Inspector General.

Farm Safety

Flowing grain in a storage bin or gravity-flow wagon is like quicksand; it can kill quickly. It takes less than five seconds for a person caught in flowing grain to be trapped.

The mechanical aspects of grain handling equipment, also presents a real danger. Augers, power take offs (PTOs), and other moving parts can grab people or clothing.

These hazards, along with pinch points and missing shields, are dangerous and lethal for both adults and children. It is always advisable to keep children a safe distance from farm equipment in operation. Always use extra caution when backing or maneuvering farm machinery. Ensure everyone is visibly clear and accounted for before machinery is engaged.

FSA wants all farmers to have a productive and safe crop year, and that begins with putting safety first.

Sign Up for FSA Fence Post for Daily Updates

The Farm Service Agency *Fence Post* is an online newsletter that is updated on an almost daily basis. It contains articles of interest on the agency's programs and departments, as well as success stories from the field. To access *Fence Post* visit <http://fsa.blogs.govdelivery.com/>. On this website, producers can sign up for *Fence Post* updates by putting an email address in box that says "Get Email Updates" and then navigating to the publication's sign up check box.

CREP & Continuous CRP Available

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 with critical environmental factors.

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

Selected Interest Rates for August 2012	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	1.25%
Farm Ownership - Direct	3.00%
Limited Resource	5.00%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency	2.25%
Commodity Loans 1996-Present	1.125%
Farm Storage Facility Loan	1.00- 1.875%

Dates to Remember	
Aug 21-22	Office closed—employees attending a training meeting
Sept 3	Office closed in observance of the Labor Day holiday.
Nov 30	NAP Application for Coverage deadline
Dec 15	Acreage reporting deadline for perennial forage and fall seeded grains.