



NEWSLETTER



January 2013

Malheur County FSA Office

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Office Hours

Monday through Friday
8:00 A.M. to 4:30 P.M.

Hispanic and Women Farmer and Rancher Claims Period

Hispanic and women farmers and ranchers who allege discrimination by the USDA in past decades can file claims until March 25, 2013.

The process offers a voluntary alternative to litigation for each Hispanic or female farmer and rancher who can prove that USDA denied their applications for loan or loan servicing assistance for discriminatory reasons for certain time periods between 1981 and 2000.

As announced in February 2011, the voluntary claims process will make available at least \$1.33 billion for cash awards and tax relief payments, plus up to \$160 million in farm debt relief to eligible Hispanic and women farmers and ranchers. There are no filing fees to participate in the program.

USDA will continue reaching out to potential Hispanic and female claimants, around the country to inform those who may be eligible for this program.

Website: www.farmerclaims.gov

Phone: 1-888-508-4429

Deadline for Claims: March 25, 2013.

Claimants can obtain a claims package in the mail by calling 1-888-509-4429 or by visiting the website www.farmerclaims.gov. Public meetings are also being held in many areas to share further information. Contact your nearest FSA office to get a schedule of meetings in your area.

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 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 verified according to agency specifications. NAP losses must be reported within 15 days of the disaster or when the loss becomes apparent.

**Reservoir Levels as of
January 23, 2013:**

Owyhee: 38%

274674/715000

Warm Springs: 35%

58707/169639

Beulah: 28%

16527/59900

Bully Creek: 37%

8783/23676

Unity: 25%

6377/25200

Phillips: %

MISSING/73000

Thief Valley: 99%

13225/13307

*According to BOR web-site:
www.usbr.gov/pn/hydromet/wytea.html

Farm Loans:

Loan applications are being accepted for farm operating and ownership purposes. Operating loans include annual operating expenses, farm equipment and livestock purchases, and refinancing related debt. Ownership loans include the purchase or enlargement of a farm, or the construction and/or repair of buildings.

FSA provides Direct and Guarantee loan assistance for Beginning Farmers and Socially Disadvantaged producers as well. Youth loans are available for 4-H and FFA members' ages 10 through 20 who want to start any income producing enterprise recommended by their leader.

Marketing Assistance Loans (MAL)

Short-term financing is available through FSA's low interest commodity loans for eligible harvested production. A nine-month Marketing Assistance Loan provides financing that allows producers to store production for later marketing at a potentially better price. The crop may be stored on the farm or in a warehouse.

Loans are available for producers who share in the risk of producing the eligible commodity and maintain beneficial interest in the crop through the duration of the loan. Beneficial interest means retaining the ability to make decisions about the commodity, responsibility for loss because of damage to the commodity and title to the commodity. Once beneficial interest in a commodity is lost, it is ineligible for a loan, even if you regain beneficial interest.

The deadline to request a grain loan is March 31, 2013, for wheat and oats and May 31, 2013, for corn, soybeans, sorghum wool and honey.

2011 Supplemental Revenue Assistance Program Applications

The Farm Service Agency (FSA) will continue to accept SURE applications for 2011 crop losses through June 7, 2013. The SURE Program provides payments to producers when crop revenues are less than the crop guarantee. The SURE Program payment is equal to 60 percent of the difference between the crop guarantee and revenue. To be eligible, the producer must have at least one crop with a 10 percent production loss.

To determine the guarantee and revenue for the SURE Program, all crops on all farms for a producer are included in the calculation. Payments under the SURE Program are limited to \$100,000.

To be eligible for the 2011 SURE Program, producers must have crop insurance on all insurable crops. For crops that are not covered by crop insurance such as grass seed and peppers, producers must have purchased Non-Insured Crop Disaster Assistance Program

(NAP) coverage from FSA. The Crop Insurance and NAP purchase requirement is waived for crops that are not economically significant to the farming operation.

For more information concerning the 2011 SURE program or other Farm Service Agency programs, contact your local FSA office or visit the Farm Service Agency website at www.fsa.usda.gov/pas/.

Farming Operation Changes

Producers who have bought or sold land, or added or dropped rented land from their operation must report those changes to the FSA office as soon as possible. A copy of the deed or recorded land contract for purchased property is needed to maintain accurate records with FSA. Failure to report changes can lead to possible program ineligibility and penalties. While making record updates, be sure to update signature authorizations. Making record changes now will save time in the Spring.

Controlled Substance

Any person convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant. Prohibited plants include marijuana, opium poppies and other drug producing plants.

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, and other moving parts can grab people or clothing.

These hazards, along with pinch points and missing shields, are dangerous enough for adults; not to mention children. It is always advisable to keep children a safe distance from operating farm equipment. 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 crop year and that begins with putting safety first.

Appeal Process

After an FSA official makes a decision on a request for USDA services or application, the producer will be sent a letter informing him/her of the decision and options that can be pursued.

Generally, program participants have three choices — an informal review with the original agency decision-maker, an opportunity for mediation and finally an appeal to the next level of authority within the agency. County office staff has further details.

Highly Erodible Land and Wetland Compliance

Landowners and operators are reminded that in order to receive payments from USDA, compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions is required. Farmers with HEL determined soils must comply with tillage, crop residue, and rotation requirements as specified in their conservation plan.

Producers should notify FSA prior to conducting land clearing or drainage projects to insure compliance. If you intend to clear any trees to create new cropland, these areas will need to be reviewed to ensure any work will not jeopardize your eligibility for benefits.

Landowners and operators can complete form AD-1026 Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification to determine whether a referral to Natural Resources Conservation Service (NRCS) is necessary.

For more information on Highly Erodible Land and Wetland Conservation provisions, contact a FSA County Office or visit the FSA website at www.fsa.usda.gov/.

FSA Signature Policy

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.

There are exceptions to the rule. Spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities.

Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents.

For more clarification on spousal signature authority, contact your local FSA office.

2012 Census of Agriculture Arriving in Mailboxes in January

It's not every day that a walk to your mailbox leads to an opportunity to help shape farm programs, boost rural services and grow your farm future. But for producers across the country, that opportunity will soon become a reality. The 2012 Census of Agriculture, the only source of consistent and comprehensive agricultural data for every state and county in the nation, is currently being mailed to millions of farmers and ranchers across the United States.

Conducted every five years by the U.S. Department of Agriculture's [National Agricultural Statistics Service \(NASS\)](http://www.nass.usda.gov/), the Census provides detailed data covering nearly every facet of U.S. agriculture. For complete information go to www.agcensus.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
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Be unable to get a loan from other sources
- 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.

Stop by the county office for help preparing and processing the application forms.

IRS 1099 Changes

Calendar year 2012 brought changes to the way FSA reports farm program payments to the producer and to the IRS.

In past years, IRS Forms 1099-G would be issued to show all program payments received from the Farm Service Agency, regardless of the amount.

For calendar year 2012, producers whose total reportable payments from FSA were less than \$600 will not receive IRS Form 1099-G. Also, producers who receive payments from more than one county will only receive one Form 1099-G if the total of all payments from all counties is \$600 or more.

The same changes will apply to producers and vendors who normally receive IRS Form 1099-MISC from FSA.

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Beginning and Limited Resource Farmers

FSA assists beginning farmers and members of socially disadvantaged groups 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.

Additional program information, loan applications and other materials are available at your local USDA Service Center. You may also visit www.fsa.usda.gov. FSA assists beginning farmers and members of socially disadvantaged groups 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:

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Selected Interest Rates - January 2013

- 90-Day Treasury Bill 0.125%
- Farm Operating - Direct 1.250%
- Farm Ownership - Direct 3.125%
- Limited Resource 5.00%
- Farm Ownership - Direct
- Down Payment, Beginning
- Farmer or Rancher 1.50%
- Emergency (Actual Loss) 2.250%
- Farm Storage Facility – 7 year 1.125%
- Farm Storage Facility – 10 year 1.625%
- Farm Storage Facility – 12 year 1.875%

Dates to Remember

- Jan 21 Martin Luther King Birthday Celebrated
- Jan 31 Last day to apply for LDP for Unshorn Lamb Pelts
- Feb 4 Census of Ag forms due
- Mar 15 NAP Spring planted coverage deadline
- Mar 31 Deadline to request Market Assistance Loans for certain crops
- June 7 Last day to file SURE application for 2011 losses