



MALHEUR COUNTY FARM SERVICE AGENCY



November 2009

Malheur County FSA Office

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Ontario, OR 97914
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County Committee Members

Scott Cruickshank, Chair
Fred Eiguren, Vice-Chair
Roger Findley, Member
Brian Kameshige, Advisor

Office Staff

Wes Jennings, CED
Jon Mills, FLM
Maria Lopez, FLO
Kyle Pottala, FLO
Denise Bishop, PT
Darlene Brandt, PT
Carla Dillon, PT
Maria Lujan, PT
Lori Yokom, PT

Office Hours

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

Farm Storage Facility Loan Program Changes:

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The new maximum principal amount of a loan through FSFL is \$500,000. Participants are now 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. New loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department.

Early partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount.

Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin.

The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley or minor oilseeds harvested as whole grain
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain
- Pulse crops - lentils, small chickpeas and dry peas
- Hay
- Renewable biomass
- Fruits (including nuts) and vegetables - cold storage facilities

For more information about FSFL please visit your FSA county office or www.fsa.usda.gov.

November 30th is the deadline to obtain NAP insurance on most forage crops in Malheur County. Contact the office for more information at 541- 889- 9689 x 2.

COC Voting Began November 6th:

COC Election ballots for LAA 2 will be mailed to eligible voters beginning Nov. 6, and must be returned to the county office by the close of business on Dec. 7, or postmarked by midnight Dec. 7, 2009.

The nominees for LAA 2 are:

Scott Cruickshank
Gary Davis

Agricultural producers of legal voting age can vote if they participate or cooperate in any FSA program. A person who is not of legal voting age but supervises and conducts the farming operations on an entire farm can also vote. No one can be denied the right to vote because of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital or family status.

For additional clarification about county committee elections, contact the Malheur County FSA Office.

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ANNUAL PAYMENTS

Do you have all of your Payment Eligibility documents in to the FSA office?

FSA began making DCP, ACRE, CRP and GRP annual payments the first part of October.

Please contact the FSA office if you have had any banking changes, or entity changes.

Biomass Crop Assistance Program:

The new Biomass Crop Assistance Program (BCAP) is of interest to biomass conversion facilities and those who own, chip and transport biomass material to these facilities.

Chippers and producers with conversion facilities contracts to prepare and deliver materials can apply for matching payments under the collection, harvest, storage and transportation (CHST) component of BCAP. Once an agreement is signed between FSA and a biomass conversion facility and funding is provided, the facilities can begin accepting materials under this program.

The matching CHST payments are paid at a rate of \$1 for \$1 per dry-ton equivalent received by a qualified biomass conversion facility, not to exceed \$45 per dry-ton equivalent. A biomass owner is eligible to receive payments for two years. The purpose of the matching payments is to assist biomass handlers with the CHST cost of delivering biomass to a qualified biomass conversion facility. Once a facility becomes qualified, eligible material owners or producers who deliver biomass to that facility may be eligible to receive CHST payments.

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 and approved before the eligible material is sold or delivered to a qualified biomass conversion facility. After the product is delivered, a material handler 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. CHST payments will not be authorized until appropriate environmental analysis is completed. Contact your FSA state office or visit www.fsa.usda.gov for more information.

NAP Reminder:

The Non-Insured Crop Disaster Assistance Program (NAP) was designed to reduce financial losses that occur when natural disasters cause a catastrophic loss of production or prevented planting of an eligible crop by providing coverage equivalent to catastrophic (CAT) insurance. Statute limits NAP to each commercial crop or agricultural commodity, except livestock, for which CAT is not available.

Producers who already have coverage on 2009 NAP crops may choose to continue coverage on the same crop or crops for 2010, if the applicable service fee is submitted by the application closing date. A new CCC-471, application for coverage is not required to be signed when applying for continuous coverage of the same crop or crops.

Producers who choose to add a new crop(s) or delete a crop(s) from previous year's coverage or changing crop shares must file a new CCC-471 with signatures and pay the applicable service fee.

Producers with NAP coverage must remember to complete the following to qualify for benefits:

- Timely file acreage reports and keep track of harvested production using acceptable methods. For example, bale weights or other means of determining quantities of hay are required.
- File a "Notice of Loss" within 15 days of when a loss is apparent, due to drought, hail, etc.

For more information on NAP coverage please contact your nearest Farm Service Agency office.

DCP Sign-up Underway:

Signup has started for the 2010 Direct and Counter-cyclical Payment (DCP) Program for farms with base acres. Signup will continue until June 1, 2010. The June 1, 2010 deadline is mandatory for all participants. FSA will not accept any late-filed applications.

Reservoir Levels as of November 12, 2009:

Owyhee: 18%
132010/715000

Warm Springs: 2%
4043/169639

Beulah: 6%
3568/59900

Bully Creek: 7%
1753/23676

Unity: 18%
4437/25200

Phillips: 52%
38177/73000

Thief Valley: 65%
8662/13307

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

Farm Loans Available:

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. Loan guarantees are available to lenders where FSA provides up to a 90% guarantee of loss on the principal of a farm loan. The loan purposes are similar to FSA's Direct Loans, except refinancing real estate debt is also eligible under the Guarantee Program. FSA's ability to partner with commercial lenders provides for useful tools in meeting your credit needs. FSA can provide for just a portion of your credit needs i.e. a tractor purchase, etc. when we work in consultation with your commercial lender. FSA provides Direct and Guarantee loan assistance for Beginning Farmers and Socially Disadvantaged producers as well. An applicant is considered a Beginning Farmer if they have not operated a farm for more than 10 years. 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.

2008 SURE (The New Farm Bill Disaster Program) Sign-Up to Begin:

The Umatilla County Office will begin taking 2008 disaster sign-up the **week of November 9th**. It will be **by appointment only** due to advance paperwork requirements.

This program works differently than past disaster programs. Most importantly, all crops must have been covered by: an insurance policy, NAP, NAP Buy-In, CAT Buy-In or Relief to be eligible for SURE.

Exceptions to this requirement are:

- crops that are not of economic significance (contribute < 5% of the total expected value of all crops grown by a producer in all counties)
- crops reported for grazing
- persons that have certified to socially disadvantaged, limited resource or beginning farmer status.

Producers must have at least one crop of economic significance with a 10% production loss on the farm to qualify.

For SURE purposes the definition of a "Farm" is: the sum of **all crop acreage, in all counties**, planted or intended for harvest for sale or on-farm livestock feeding, including native grassland intended for haying. This means that wheat, for example, must show a production loss for the total of a producer's wheat in all counties (not a loss per FSA farm as in past disaster programs).

The earliest that payments will be made is December 2009 and that is tentative.

Marketing Assistance Loans:

A Marketing Assistance Loan (MAL) is available for producers who share in the risk of producing the crop. To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of the date the loan is repaid or CCC takes title to the commodity. Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; and title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if the producer regains beneficial interest.

Commodity loan eligibility also requires compliance with conservation and wetland protection requirements, acreage reporting and ensuring that the commodity meets Commodity Credit Corporation minimum grade and quality standards. For commodities to be eligible they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Malheur County FSA Office
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Dates to Remember:

November 11, 2009: Office Close (Veteran's Day)

November 26, 2009: Office Closed (Memorial Day)

November 30, 2009: **Deadline to purchase 2010 NAP coverage for the majority of forage crops in Malheur County.**

December 7, 2009: **Deadline to return ballots for COC elections.**

December 25, 2009: Office Closed (Christmas Day)

January 1, 2010: Office Closed (New Year's Day)

Within 15 days: Notice of Loss (FSA-576) must be filed within 15 days of loss or when the loss became apparent.

Attention Agricultural group members and leaders: Would you like FSA to come to your meeting and talk about what FSA has to offer to you? If so contact Wes Jennings or Jon Mills at 541-889-9689 extension 2 or by email at wes.jennings@or.usda.gov or jon.mills@or.usda.gov.

Special Accommodations:

"The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal agency that administers compliance with this law is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

USDA regulations prohibit discrimination in USDA programs because of your race, color, religion, sex, age, national origin, marital status, familial status, sexual orientation, disability; or because all or part of your income is derived from any public assistance program; or because you have filed a program complaint, participated in any program complaint proceeding, or opposed a prohibited practice.

If you believe that you have been discriminated against for any of the reasons stated above, you may file a complaint with the Director, Office of Adjudication and Compliance, United States Department of Agriculture, Room 326-W, Whitten Building, 1400 Independence Avenue, S.W. Washington, D.C. 20250-9410."