August 2011

Morrow County FSA Office

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Heppner, OR

541-676-9011 phone
541-676-9624 fax
www.fsa.usda.gov/OR

Hours
Monday - Friday
7:30 a.m. - 4:30 p.m.

County Staff

Adam Doherty, PT

Kara Lanthorn, PT

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Disaster Assistance

The Farm Service Agency has programs available to assist producers who have recently experienced damage from natural disasters.

FSA administers several important programs that help producers recover from disaster damage and livestock deaths. Among the key programs available to address impacts from disasters are the Emergency Conservation Program (ECP), the Livestock Indemnity Program (LIP), Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP), the Noninsured Disaster Assistance Program (NAP) and the Supplemental Revenue Assistance Payments (SURE) Program.

Fact sheets for all of these programs can be found at www.fsa.usda.gov; click on Newsroom, then Fact Sheets.

Contact the local FSA county office for details.

Adjusted Gross Income Report to IRS

Producers are reminded they must submit an Adjusted Gross Income (AGI) verification consent form (CCC-927 or CCC-928) to the IRS as soon as possible in order to maintain eligibility for 2009 and 2010 program benefits.

The consent form authorizes IRS to verify for FSA whether a payment recipient's AGI meets the eligibility requirements for FSA programs.

Producers who fail to file these forms before Sept. 2011 will receive a notice from the National Office stating that the producer is ineligible for 2009 and/or 2010 payments.

IRS requires written consent from all individuals or legal entities before verification of the average AGI can be provided to USDA. Individuals must submit form CCC-927and legal entities must submit form CCC-928.

2010 ACRE Certification Deadline Extended

The deadline for a 2010 production certification to comply with the ACRE provisions for production reports has been extended to the Close of Business (COB) on September 1, 2011. Because of this extension, using a register on Sept. 1, 2011, is **not** authorized.

The extension is for completing both the farm benchmark yield (2005 through 2009) and the actual farm yield (2010). For more details contact the local FSA office.

Actively Engaged

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

Normally every stockholder or a member of a legal entity **must** make contributions of active personal labor and/or active personal management for 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 for a stockholder or member of a legal entity only occurs 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 don't exceed $40,000.

NOTICE TO HISPANIC AND/OR WOMEN FARMERS OR RANCHERS

COMPENSATION FOR CLAIMS OF DISCRIMINATION

If you believe that the United States Department of Agriculture (USDA) improperly denied farm loan benefits to you between 1981 and 2000 because you are Hispanic, or because you are female, you may be eligible to apply for compensation.

To register your name to receive a claims packet, call the Farmer and Rancher Call Center at 1-888-508-4429 or visit: www.farmerclaims.gov

The claims package will have detailed information about the eligibility and claims process.

USDA United States Department of Agriculture

USDA is an equal opportunity provider and employer.

Hispanic and Women Farmers

A process to resolve the claims of Hispanic and women farmers and ranchers who believe they were discriminated against when seeking USDA farm loans has been established.

If you believe that the United States Department of Agriculture (USDA) improperly denied farm loan benefits to you between 1981 and 2000 because you are Hispanic, or because you are female, you may be eligible to apply for compensation.

For additional information on this and other settlement issues contact:

- **Hispanic and Women Farmer Claims Process, please visit:** www.farmerclaims.gov or call 1-888-508-4429

- **Pigford – The Black Farmers Discrimination Litigation, please visit:** www.blackfarmercase.com or call 1-866-950-5547

- **Keepseagle - The Native American Farmers Class Action Settlement please visit:** www.IndianFarmClass.com or call 1-888-233-5506

Farm Storage Facility Loan Program

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 and permanent drying and handling equipment. 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.

Payments are available in the form of a partial disbursement and the remaining final disbursement. The 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.

Rural Youth Loans

FSA 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 $5000.

Youth Loan Eligibility Requirements:

✓ United States citizen or a legal resident alien (or permanent resident of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands)

✓ 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

✓ Unable to get a loan from other sources

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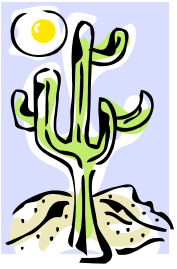
- ✓ conduct a modest income-producing project in a supervised program of work
- ✓ Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision.

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

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 geographic areas.

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



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.

If producers or their spouses believe they would qualify as socially disadvantaged, they should contact their local FSA office for details. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

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 maintaining 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; beneficial interest 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.

Producers do not have to participate in the Direct and Counter-Cyclical and/or ACRE Programs to be eligible for commodity loans.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans.

The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

Morrow County FSA Office
PO Box 786
Heppner, OR 97836

USDA United States Department of Agriculture

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eNewsletters and eUpdates from FSA – *watch for more news!*

The Farm Service Agency is exploring more cost-effective and resource-conserving options to provide farmers and ranchers with news, information, deadlines and bulletins from your state FSA and from your own county FSA office.

Take a look at the GovDelivery options now available from the USDA / FSA. Just open the FSA home page at www.fsa.usda.gov and click on the E-MAIL UPDATES icon where you can select your subscriptions. Watch for more news and the opportunity to sign up to receive your news quicker and at less cost via e-mail.

Selected Interest Rates for August 2011	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	2.125%
Farm Ownership - Direct	4.625%
Limited Resource	5.0%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency	3.75%
Farm Storage Facility	2.250%

Dates to Remember	
08/31	1st NAP deadline
Aug. 1	COC Nomination Due in County Office
Aug. 1	Reconstitutions Request Deadline
Sept. 1	2010 ACRE Certification Deadline

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