

April 2014



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North Dakota FSA eNews

North Dakota State Office

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Aaron Krauter

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From the State Executive Director

Details of the Agricultural Act of 2014 are being worked out every day. As you will read in this newsletter, the livestock disaster programs will begin mid-April. Information on the PLC and ARC programs is coming soon which will give an opportunity to update yields and reallocate bases. We have passed the March 15 date for crop insurance decisions and the next deadline to watch for will be July 15 for acreage reporting. Our county offices are preparing for these new programs and will be ready to serve producers.

Have a safe spring!

Aaron Krauter, State Executive Director

Livestock Disaster Programs

Enrollment for the disaster programs authorized by the 2014 Farm Bill, including the Livestock Indemnity Program (LIP) and the Livestock Forage Disaster Program (LFP) will begin by April 15, 2014.

In preparation for making an application for LIP, producers should be compiling such records as dates of livestock deaths, beginning and ending inventories for each applicable year, calving records, adverse weather

events, etc.

In preparation for making an LFP application, producers should compile data including, but not limited to: legal descriptions where eligible livestock were grazing, dates when grazing occurred on eligible pasture/rangeland and number of livestock grazing. In addition, producers may have to file an acreage report on eligible pasture/rangeland as part of the application process.

Farmers and ranchers should ensure their farm records and business structures are current at their local FSA Office prior to making application for either program.

While any producer may report farm records and business structure changes, it is especially important for producers who suffered livestock, livestock grazing, honeybee, farm-raised fish, or tree/vine losses for 2011, 2012, 2013 or 2014, and may be eligible for assistance through one of the four disaster programs.

Commodity Loan Rates for 2014 – Wheat, Feed Grains, Pulse Crops and Oilseeds

County loan rates have been announced for the 2014 crops of wheat, corn, grain sorghum, barley, oats, soybeans, lentils, dry peas, chickpeas and other oilseeds (sunflower seed, flaxseed, canola, rapeseed, safflower, mustard seed, crambe and sesame seed). The rates are posted on the FSA website at: <http://www.fsa.usda.gov/pricesupport>

Changes to Farm Storage Facility Loan Program

The Farm Storage Facility Loan (FSFL) program's security requirements have been eased for loans between \$50,000 and \$100,000. Previously, all loans in excess of \$50,000 required a promissory note and additional security, such as lien on real estate or irrevocable letter of credit. The recent change to FSFL program requirements will not require additional security for loans up to \$100,000.

The FSFL program allows producers of eligible commodities to obtain low-interest financing to build or upgrade on-farm storage and handling facilities. The maximum principal amount of a loan through FSFL is \$500,000. Participants are required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the eligible net cost of the storage facility and permanent drying and handling equipment. Additional security is required for any loan amount exceeding \$100,000 or when the aggregate balance in FSFL outstanding exceeds \$100,000.

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. Sign-up for FSFL program is continuous as long as CCC funding is available. An FSFL loan must be approved before authorizing delivery of equipment or materials, site preparation, or construction.

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

2013 ACRE Program – Farm Benchmark Yield Update

Producers who have a 2013 Average Crop Revenue Election (ACRE) program contract on one or more FSA farms must complete the FSA-658 (Record of Production & Yield) for each ACRE farm and each covered

commodity planted in 2013 by not later than July 15, 2014.

Producers are encouraged to complete the 2013 production certification as soon as possible.

Production evidence that can be used to support the certified yields can be from the following sources:

- Crop Insurance loss records
- Sales records (buyer specific)
- Crop Insurance APH data base records
- Farm stored production records, appraisals

Change in Farming Operation

If you have bought or sold land, or if you have picked up or dropped rented land from your operation, make sure you report the changes to the office as soon as possible. You need to provide a copy of your deed or recorded land contract for purchased property. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties. Making the record changes now will save you time in the spring. Update signature authorization when changes in the operation occur. Producers are reminded to contact the office of a change in operations on a farm so that records can be kept current and accurate.

FSA Assists Risk Management Agency

FSA county office staff will be assisting Risk Management Agency and insurance providers in monitoring crop conditions throughout the growing season. FSA staff will be making two inspections; one during the growing season and one during the time harvest is normal for the crop.

The staff will be checking to see if reported crops have been planted and cared for in a workmanlike manner. All suspected cases of fraud, waste, and abuse of the Federal Crop Insurance Program will be referred to RMA. Producers may report suspected cases of fraud, waste, and abuse to the county office staff, RMA office or Office of Inspector General. Additionally, FSA will assist RMA with auditing claims.

Microloan Program

FSA Microloans are available for applicants whose financial needs are less than \$35,000. Niche markets and beginning farmers are typical applicants for this loan program.. The microloan application process is designed to be less extensive than the traditional direct operating loan program and has less stringent eligibility requirements than the traditional program.

Microloans to beginning farmers or ranchers do not count towards direct OL term limits. Loans are available up to a cumulative loan amount of \$35,000. The direct operating loan interest rate, which today is 2.00%, applies to microloans.

If you have any questions about the FSA Microloan program please contact your nearest FSA Office.

SBA Economic Injury Disaster Loans Available to Small Businesses

Small, nonfarm businesses in North Dakota counties that were designated agricultural disaster areas and in contiguous counties are eligible to apply for low-interest federal disaster loans from the U. S. Small Business Administration (SBA). These loans offset economic losses because of reduced revenues caused by the combined effects of the late spring snowfalls, significant rainfall, unseasonably cool spring frost and freeze, flooding, ground saturation, hail, high winds, severe thunderstorms, weather-related insects and diseases, and mid summer drought that began January 1, 2013.

Primary North Dakota counties include Benson, Bottineau, Burke, Burleigh, Cavalier, Divide, Emmons, Grand Forks, Grant, Kidder, Logan, McHenry, McIntosh, McLean, Mercer, Morton, Mountrail, Nelson, Oliver, Pembina, Pierce, Ramsey, Renville, Rolette, Sioux, Stutsman, Towner, Traill, Walsh, Ward, and Wells. Contiguous counties in North Dakota include Adams, Barnes, Cass, Dickey, Dunn, Eddy, Foster, Griggs, Hettinger, LaMoure, McKenzie, Sheridan, Stark, Steele, and Williams.

Applicants may apply online using the Electronic Loan Application (ELA) via SBA's secure Web site at <https://disasterloan.sba.gov/ela>. Disaster loan information and application forms are also available from SBA's Customer Service Center by calling (800) 659-2955 or e-mailing disastercustomerservice@sba.gov. Individuals who are deaf or hard of hearing may call (800) 877-8339. For more information about SBA's disaster assistance programs, visit <http://www.sba.gov/disaster>.

Important Dates and Deadlines

July 15 - 2013 ACRE Production Evidence Deadline

July 15 - Acreage Reporting Deadline for 2014 Crop Year spring planted crops

April Loan and Interest Rates

Commodity Loans - 1.125%
Operating Loans - 2.000%
Farm Ownership Loans - 4.000%
Farm Ownership - Down Payment Loans - 1.50%
Emergency - Amount of Actual Loss - 3.000%
Farm Storage Facility Loan, 7-Year - 2.125%
Farm Storage Facility Loan, 10-Year - 2.750%
Farm Storage Facility Loan, 12-Year - 2.875%

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).