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

ACRE PROGRAM REQUIREMENT DEADLINES
Participants in the ACRE program are required to annually certify their crop production. Crop production for 2010 needs to be certified by completing and submitting form FSA-658, Record of Production and Yield, no later than September 1, 2011.

Farms enrolled in the ACRE program may designate the commodities to receive ACRE payment (if eligible) when the total of planted and considered planted acres for the farm exceed 120% of the farm’s total base acres. This designation must be filed in your county office by September 30, 2011. If a designation is not filed, the default designation will be applied according to procedure.

DISASTER ASSISTANCE
The Farm Service Agency would like to remind crop and livestock producers throughout states that have recently experienced severe damage from flooding, wildfires and tornadoes that FSA programs are available to assist with recovery.

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 Non-insured 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.

We encourage all who have suffered a disaster due to the recent severe weather conditions to read the fact sheets and visit their local FSA county office so they get a quick start in the recovery process.

USDA REMINDS PRODUCERS TO FILE AGI CONSENT FORMS WITH THE IRS
In order to receive USDA program payments, each payment recipient must have an Adjusted Gross Income (AGI) verification consent form on file with the Internal Revenue Service (IRS).

The consent form authorizes IRS to verify for FSA whether a payment recipient’s AGI meets the eligibility requirements for FSA programs. The form became a requirement for payment eligibility beginning with the 2009 crop year, however many program participants have not complied with this requirement.

IRS and USDA reports show that, nationwide, FSA is still missing the required consent forms from many producers for 2009 and 2010. To avoid an interruption of program payments, producers need to turn these forms in to the IRS immediately if they have not done so already.

Individuals must submit form CCC-927and legal entities must submit form CCC-928. Without these forms on file, producers will not receive USDA program payments.

These consent forms are required for payments received from the Natural Resources Conservation Service (NRCS) as well as those received through FSA. Completed forms must be returned to the IRS.

ACTIVELY ENGAGED
USDA has amended 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 the 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 when 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 by the legal entity can’t exceed $40,000.
**ELECTRONIC SERVICES AVAILABLE**

If a producer has Internet access, program participants can access many services from home 24 hours a day, seven days a week, and receive approval and payment by direct deposit within 48 hours.

To participate in these 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 [http://www.eauthegov.usda.gov/](http://www.eauthegov.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 your local USDA Service Center and talk with our trained FSA personnel.

**WETLAND COMPLIANCE**

Producers renting or purchasing land that may have a converted wetland status need to check with the county office to learn if there are restrictions.

Farm Bill regulations provide that, unless exempt, persons are ineligible for benefits under certain programs administered by USDA if they:

- plant an agricultural commodity on a wetland that was converted after December 23, 1985
- convert a wetland after November 28, 1990

FSA may not approve any loan or loan guarantee to drain, dredge, fill, level or otherwise manipulate a wetland, or to engage in any activity that results in impairing or reducing the flow, circulation or reach of water except in the case of activity related to the maintenance of previously converted wetlands.

The following provides permitted uses and restrictions of certain wetlands for compliance considerations with the Wetland compliance provisions:

- wetlands can be farmed under natural conditions, but not converted
- wetlands converted before November 28, 1990, cannot be planted to an agricultural commodity and retain eligibility for benefits
- wetlands converted after Nov. 28, 1990, must either be restored to

wetland status or mitigated to regain eligibility for program benefits.

- wetlands that can be farmed under natural conditions cannot be manipulated in any way, unless the Natural Resources Conservation Service determines the work would have a minimal effect on the wetland values
- wetlands converted before December 23, 1985, can be farmed and maintained

**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.

**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 required to provide a minimum 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. If a participant provides 20% or greater down payment, then the requirement for a severance agreement for loans under $50,000 will be waived. 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 not to exceed $250,000.

Applications for FSFL must be submitted to the FSA county office that maintains the farm’s records. A 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
- Honey

**MARKETING ASSISTANCE LOANS**

A Marketing Assistance Loan (MAL) is available to producers who share in the risk of producing a 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; 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 eli-
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 $5,000.

LOANS FOR THE SOCIA LLY DISADVANTAGED

FSA has 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, FSA has provided targeted funding for members of Socially Disadvantaged groups.

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 a group.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

BEGINNING FARMER & RANCHERS

FSA assists beginning farmers and ranchers 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 that 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in any loan assessment and borrower training program in production and/or financial management required by the Agency
- For farm ownership loans, applicant does not own farm acreage greater than 30% of the median size farm in the county.

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 of fraud, waste and/or abuse to the FSA office, RMA, or the Office of the Inspector General.

Selected Interest Rates for August 2011

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>90-Day Treasury Bill</td>
<td>0.125%</td>
</tr>
<tr>
<td>Farm Operating Loans — Direct</td>
<td>2.125%</td>
</tr>
<tr>
<td>Farm Ownership Loans — Direct</td>
<td>4.625%</td>
</tr>
<tr>
<td>Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher</td>
<td>1.50%</td>
</tr>
<tr>
<td>Emergency Loans</td>
<td>3.75%</td>
</tr>
<tr>
<td>Farm Storage Facility Loans (7 years)</td>
<td>2.250%</td>
</tr>
<tr>
<td>Sugar Storage Facility Loans</td>
<td>3.625%</td>
</tr>
<tr>
<td>Commodity Loans 1996-Present</td>
<td>1.125%</td>
</tr>
</tbody>
</table>

Readers are advised that dates for FSA programs in Nebraska are often county-specific. Please contact your local FSA office for detailed information pertaining to your operation.

You may also visit us online at: www.fsa.usda.gov/ne