



March 2012

## Polk County FSA Office

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Executive Director**  
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### Hours

Monday - Friday  
8:00 a.m. - 4:30 p.m.

## Polk County Staff

Bev Schmidt, Program  
Technician

Don MacCarthy, County  
Committee Chairperson

Kirk Fast, County  
Committee Vice  
Chairperson

Mike Atherton, County  
Committee Member

Sandy Moritz, County  
Committee Advisor

## DCP/ACRE Sign-up

2012 Direct and Counter-Cyclical Program (DCP) enrollment opened on Jan. 23, 2012 and closes on June 1, 2012. Producers are reminded that under the 2008 Food, Conservation, and Energy Act, 2012 advanced DCP payments are not available. Final Payments shall be made starting in October 2012. Producers are encouraged to call now for an appointment at the local FSA office.

## 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 and each of the members can't exceed \$40,000.

## Land Contract (LC) Guarantee Program

The Farm Service Agency (FSA) makes loans through the Land Contract (LC) Guarantee Program. The LC Guaranteed Loans will be offered to the owner of a farm who wishes to sell real estate through a land contract to a beginning farmer or a farmer who is a member of a socially disadvantaged group.

A land contract is an installment contract between a buyer and a seller for the sale of real property, in which complete ownership of the property is not transferred until all payments under the contract have been made.

Guarantees can be used for financing the purchase of a farm with a purchase price up to \$500,000 on a new land contract. FSA offers two types of guarantees under this program.

- **Prompt Payment Guarantee:** A guarantee of up to the amount of three amortized annual installments plus the cost of any related real estate taxes and insurance; or
- **Standard Guarantee:** A guarantee of 90 percent of the outstanding principal balance under the land contract.

To find out if you qualify contact your local FSA office today or see additional information, including a complete list of borrower and seller eligibility criteria and application materials through the FSA website at [www.fsa.usda.gov](http://www.fsa.usda.gov).



## **Beginning and Limited Resource Farmers**

FSA assists beginning farmers and or 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 that 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 % 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](http://www.fsa.usda.gov)

## **Rural Youth Loans**

The Farm Service Agency makes loans to rural youth 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 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 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.

## **Supplemental Revenue Assistance Program (SURE)**

The sign-up for 2010 SURE losses continues through **June 1, 2012**. The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses of crops due to natural disasters that incurred in the crop year 2010. Please contact your local FSA office for additional program eligibility or SURE application information.

## **Federal Crop Insurance Program: Adjusted Gross Revenue Lite**

*March 15 is the final date to obtain 2012 AGR-Lite for New Producers*

The Adjusted Gross Revenue (AGR & AGR-Lite) program provides whole-farm coverage against natural perils and price fluctuation. The AGR program uses a producer's 5-year historical farm average revenue as reported on the IRS tax return (Schedule F or equivalent forms) and an annual farm report as a base to provide a level of guaranteed revenue for the 2012 insurance period. The policy covers most commodities produced in the Willamette Valley, including livestock.

Insurance is provided against revenue loss due to any unavoidable natural occurrences during the current insurance year or due to market fluctuations that cause a loss of revenue during the current insurance year. AGR guarantees income to protect savings, investments and future earnings and the premium is subsidized for affordability. This is a self-help USDA program, with coverage and cost determined by the uniqueness of your farm's commodities being raised, historical income and intended revenue.

Call today for more information and see how AGR or AGR-Lite can work for you. You can contact Mary Lou Casey, Risk Management Agency at (509) 228-6325 or by e-mail at [mary.lou.casey@rma.usda.gov](mailto:mary.lou.casey@rma.usda.gov). You can also visit your local crop insurance agent for additional details on AGR or AGR-Lite.

## General Conservation Reserve Program (CRP) Sign-up 43

USDA announced that the next general CRP sign-up will be held from March 12, 2012, through April 6, 2012. Land that is not currently enrolled in CRP may be offered for enrollment during CRP sign-up 43. In addition, CRP participants with contracts expiring on September 30, 2012, may submit offers. Accepted contracts for CRP sign-up 43 will begin on October 1, 2012.

CRP is a voluntary program that helps agricultural producers use environmentally sensitive land for conservation benefits. Producers enrolled in CRP plant long-term, resource conserving covers to control soil erosion, improve water and air quality and develop wildlife habitat. In return, FSA provides participants with rental payments and cost-share assistance. Contract duration is between 10 to 15 years.

FSA administers CRP, while other USDA agencies and partners provide technical support. More information on CRP is available online at [www.fsa.usda.gov](http://www.fsa.usda.gov). Or, you can contact your local FSA office for detailed information on program eligibility requirements and/or submitting CRP offers.



## Dates to Remember

Month of March: Women's History Month  
March - Aug.: Native American Powwows  
Mar. 15: NAP deadline for most spring planted crops  
April 6: CRP Sign-up 43 Offer Deadline  
June 1: 2012 DCP Enrollment ends  
June 1: 2010 SURE Sign-up ends



## Selected Interest Rates for February 2012

90-Day Treasury Bill: 0.125%  
Farm Operating - Direct: 1.575%  
Farm Ownership - Direct: 3.375%  
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher: 1.500%  
Emergency Loans: 3.750%