

POLK COUNTY NEWS OCTOBER 2010



OCTOBER NEWSLETTER

Polk County FSA Office
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Website: <http://www.fsa.usda.gov/or/>
Email: janelle.vandyke@or.usda.gov



Polk County Committee:

Adam Loop, COC Chairman
Tom Crawford, COC Vice Chairman
Donal MacCarthy, COC Member
Sandy Moritz, COC Minority Advisor

Office Staff:

Janelle VanDyke, CED – Ext 105
Laurie Johnson, PT – Ext 102
Beverly Schmidt, PT – Ext 100

Office Hours:

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

Farm Loan Staff:

Sharilyn Millette, Loan Mgr.
Lora Surmeyer, Loan Officer
Farm Loan employees are in
Marion FSA Office 503-399-5741 ext 2

MANAGING WET SOILS AND DITCHES TO AVOID PENALTIES!!!



Management of wet soils, sub-surface drainage, removing trees and improving ditches is essential to farm management. However, if you are in USDA programs, ***you are required to check with FSA and/or NRCS prior to implementing any of the above work.*** If you do physical altering of wet areas and/or waterways without checking with FSA, it could result in violation of USDA rules and with a loss of payments. USDA would rather work with you BEFORE you get into a violation.

If you are going to do any physical management, improvement or changes to any wet or poorly drained land, waterways or ditches, ***get information from USDA on that piece of land before you do any work on it.***

Each year, when you visit FSA, if you are going to do any of the above changes, ***your role*** is to fill out a new AD1026 AND note on the form that you are physically altering a field. It

honestly is better for your farming operation (and our ability to help you) to find out any issues with draining wet areas or clearing ditches BEFORE you do it, rather than having to work with NRCS to determine if you have a wetland violation.

For any work you do on your property, 1) keep any tiling records and maps of land you farm &, 2) when improving or repairing drainage tiles, use a digital camera to record the tiles you are replacing or repairing. If you are using USDA programs (or somebody in the future will use USDA programs), USDA has specific rules about altering/improving wet areas and waterways. ***Let's work together to help you manage your farms for sustained profit and watershed health.*** Contact us BEFORE you do management on your farmland and you will be able to make a more informed decision.

County Committee Elections

Elections for Local Administrative Area (LAA) 1 begin in November. Please vote promptly for one nominee.

Return your completed ballot in the signed envelope as soon as possible to the Polk County Farm Service

Agency. Your Vote Counts! Be watching your mailbox for your official county office committee election ballot starting early next month. Ballots will be mailed to all eligible voters starting on **November 5, 2010**. If you don't receive a ballot, notify the county FSA office. Completed and signed ballots are due back in the county office by the close of business on **December 6, 2010**. And the County Committee

Nominees Are:

Kirk C Fast- Kirk lives in Rickreall, OR and raises crops such as Wheat, Grass Seed, and Red Clover.

Kathleen Hadley – Kathy lives in Rickreall as well and she raises crops including Grass Seed and Wheat.

2010 Payments

Payments for 2010 Conservation Reserve Program (CRP) and Direct & County-Cyclical Payment (DCP) Program will be made available soon. Check your direct deposit account to verify you have received your earned payments.



PLUS: 2009 and 2010 payment recipients must have submitted "Consent to Disclosure of Tax Information" form CCC-927/928 directly to IRS. Those who have not complied will receive notice by mail from the national USDA office.



Need Cash Flow? Ask About Our Marketing Assistance Loans!

A 9 month 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.

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

FSA Farm Loans

FSA offers loans for farmers and ranchers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, borrowers might have suffered setbacks from natural disasters or might be persons with limited resources.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,094,000. Emergency loans are always direct loans for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth Loans, Loans to Beginning Farmers and loans for socially disadvantaged applicants are also available through FSA.

For detailed information on loan eligibility or the different available loan programs, contact the Farm Loan Staff in Marion County at (503) 399-5741 Ext. 2 for an appointment with a farm loan officer.



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 loans, farm ownership loans, or loans to 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.

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.



Dairy Indemnity Payment Program (DIPP)

Under the Dairy Indemnity Payment Program (DIPP), payments are made to dairy producers when a public regulatory agency directs them to remove their raw milk from the commercial market because it has been contaminated by pesticides, nuclear radiation or fallout, or toxic substances and chemical residues other than pesticides. Application must be made to the county FSA office. If the loss occurred **on or after October 1, 2009, but by September 30, 2010**, the final filing date to apply is **December 31, 2010**. Please contact the county FSA office if you think you might be eligible for DIPP, or would like additional information.



PAPER CHECK CONVERSION – OVER THE COUNTER (PCC –OTC)

Over the next year, FSA/CCC is moving toward an electronic method for processing producers' checks. This will allow FSA/CCC to process collections faster. When producers present checks, either in person or through the mail, the checks will be converted into an Electronic Funds Transfer (EFT). The funds will be debited from the producer's account, usually within 24 hours of receipt. Please see the U.S. Department of Treasury legal notices posted in the Service Center or visit the following U.S. Department of Treasury Internet site for detailed information:

<https://www.pccotc.gov/pccotc/pcc/usingpcc/Legal%20Notices/legalnotices.htm>

Note: FSA/CCC will begin this process in the coming months.

What is PCC - OTC?

PCC – OTC is a process for converting paper checks presented to FSA into electronic debits to the producer's bank account. It presents many benefits, such as reducing lost/misplaced checks and paper handling. This improves customer relations, speeds the check clearing process, and reduces the potential for human error.

How will my checks be handled?

If the check is presented in person, the check will be scanned into the system, voided, and stamped with the words, "Electronically Processed" or "Electronically Presented" and the voided check will be returned to the customer.

If the check is mailed to FSA, the check will be scanned into the system and voided. The customer will not receive the check back from FSA. FSA will hold checks for up to 14 calendar days to ensure that the item was successfully processed, and then FSA will shred the check.

How quickly will funds be transferred from my account?

The transfer of funds from your account could occur within 24 hours. Therefore, you should be sure that you have sufficient funds in your account to process the transaction. If you do **not** have sufficient funds, we may initiate the transaction again.

How will this transaction appear on my account statement?

The transfer of funds will be reflected on your account statement. The transaction may be recorded in a different place on your statement than where your checks normally appear, such as under "other withdrawals" or "other transactions".

What are my rights if there is a problem with the transaction?

You have protections under Federal law for an unauthorized electronic fund transfer from your account. You should contact your financial institution immediately if you believe that the transaction reported on your account statement was not properly authorized or is otherwise incorrect.

NAP Coverage - Deadlines & Details



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 2010 NAP crops may choose to continue coverage on the same crop or crops for 2011, 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. **Service fees are \$250 per crop / \$750 per county / \$2250 per producer.**

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

- 1) 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.
- 2) File a "Notice of Loss" within 15 days of when a loss is apparent, due to drought, hail, etc.



NOTE: You are required to obtain NAP and/or crop insurance on all significant crops on your farm to be eligible for many of the FSA disaster programs. To meet eligibility, contact the county office for additional information.

Dallas Service Center
 Polk County FSA Office
 580 Main Street Suite D
 Dallas, OR 97338-1911

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2011 DCP AND ACRE SIGN-UP AND ACREAGE REPORTING

Sign-up will soon be underway for the 2011 Direct and Counter-cyclical Payment (DCP) Program for farms with base acres. Producers will have the option of enrolling in the ACRE program for 2011. A 22% advance of your payments is available now through September 2011. ***Tenants:** you will be responsible for obtaining land owner signatures; FSA will no longer be contacting land owners directly. **The sign-up deadline is June 1, 2011. FSA will not accept late filed applications.**

Acreage Reporting: Is your planting completed for 2011 crops? Call the office to set up an appointment, why not get it done now before you get even busier with spring work? **Reporting Deadline is June 30, 2011. Planting wheat or another annual crop?** Make sure you check your Highly Erodible Land (HEL) determinations and meet conservation requirements to prevent a violation. If in violation, you may need to repay all funds from our agency.

Appointments will be made beginning later this year, call if you would like to schedule your appointment.

Dates to Remember:

October 2010	Final DCP and CRP annual payments will be available (See "2010 Payments" on page 1)
October 12, 2010	Columbus Day Holiday- Office Closed
November 11, 2010	Veterans Holiday- Office Closed
November 22, 2010	NAP application closing deadline: Apples, apricots, blueberries, caneberries, chestnuts, cherries, cranberries, grapes, hazelnuts, honey, nectarines, peaches, pears, plums, prunes, strawberries, walnuts (See "NAP Coverage" page 3)
November 25, 2010	Thanksgiving Day Holiday- Office Closed
November 30, 2010	NAP application closing deadline: All forage and grazing crops except oats. All grasses and legumes for seed. (See "NAP Coverage" page 3)
December 6, 2010	Last day to return ballots for COC Elections (See "County Committee elections" on page 1)
December 24, 2010	Christmas Day Holiday Observed- Office Closed
December 31, 2010	New Year's Holiday- Office Closed
Ongoing	Within 15 days of damage becoming apparent- File NAP Notice of Loss (See "NAP Coverage" on page 3)
	County Committee Meetings held @ 8:30 a.m. 1 st Thursday of each month, contact FSA for meeting information
	Contact us for 2011 DCP/ACRE Signup (Want money Quicker? Apply for advance direct payments) (See "2011 DCP/ACRE Signup" above)

Want to hear the news first? Receive the newsletter by email! Just notify Janelle Huserik at janelle.huserik@or.usda.gov.

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