April 2013

Union
FSA Office

County Committee
Terry Puckett
Guy Weishaar,
Lisa Eisiminger

County Executive Director
Jennifer Isley

1901 Adams Ave. Ste 5
La Grande, OR 97850

541-963-4178
Phone
541-962-1022
Fax
www.fsa.usda.gov/OR

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

Program Technicians
Tim Hines
Tara Hett

Hispanic and Women Farmers and Ranchers Claims Process Extended

Agriculture Secretary Tom Vilsack has announced the extension of the voluntary claims process for Hispanic and women farmers and ranchers who allege discrimination by the USDA in past decades. All claims must now be filed by **May 1, 2013.**

The process offers a voluntary alternative to litigation for each Hispanic or female farmer and rancher who can prove that USDA denied his or her application for loan or loan servicing assistance for discriminatory reasons for certain time periods between 1981 and 2000. As announced in February 2011, the voluntary claims process will make available at least $1.33 billion for cash awards and tax relief payments, plus up to $160 million in farm debt relief. There are no filing fees to participate in the program.

Claimants may register for a claims package by calling the telephone number below Monday through Friday 9 a.m. to 8 p.m. Eastern Time or by downloading the forms from the website.

Website: www.farmerclaims.gov
Phone: 1-888-508-4429
Fax: (855) 626-8343
Email: claims@hwfr.org

Claims Period: September 24, 2012 – May 1, 2013.

Claim packages and other documentation may be mailed to Hispanic and Women Farmers and Ranchers Claims Administrator, PO Box 4540, Portland, OR 97208-4540. Claim packages and other documentation may also be emailed to claims@hwfr.org. Claimants may also fax claims packages and other documentation to (855) 626-8343. Completed forms and documentation must be received no later than 11:59 p.m. PDT on May 1, 2013.

DCP/ACRE Sign-up Continues

The sign-up period for DCP and ACRE are still open. Producers must sign up for DCP before the Aug. 2, 2013, deadline. Producers signing up for ACRE, have until June 3, 2013.

The 2013 DCP and ACRE program provisions are unchanged from 2012, except that all eligible participants in 2013 may choose to enroll in either DCP or ACRE for the 2013 crop year. This means that eligible producers who were enrolled in ACRE in 2012 may elect to enroll in DCP in 2013 or may re-enroll in ACRE in 2013. Likewise producers who were enrolled in DCP may opt for ACRE enrollment.

Read more about DCP and ACRE or contact the FSA county office for more information, or an appointment to enroll.

Microloans Are Cultivating Big Dreams on a Small Scale

Microloans are helping small, niche and beginning farmers and ranchers meet their goals. The less burdensome and more simplified loan process allows producers to apply for a maximum of $35,000 to pay for initial start-up expenses such as hoop houses, essential tools, irrigation, delivery vehicles and annual expenses such as seed, fertilizer, utilities, land rents, marketing and distribution expenses. Producers interested in applying for a microloan should contact the local FSA office to schedule an appointment with a Farm Loan Officer or Farm Loan Manager.

Read the linked articles below showing how microloans are helping producers across the U.S. expand their operations.

1) Thanks, Mr. President: Niche Farmers Send Obama Appreciation Letter for Boosting Their Business and
2) Small Farmer Finds Success With FSA Microloan Program

CRP Sign-Up Starts soon

USDA will conduct a four-week general sign-up for the Conservation Reserve Program (CRP), beginning May 20 and ending on June 14. CRP protects the nation's natural resources through voluntary participation, while providing significant economic and environmental benefits to rural communities across the United States.

Currently, about 27 million acres are enrolled in CRP. Producers that are accepted in the program can receive cost-share assistance to plant long-term, resource-conserving covers and receive an annual rental payment for the length of the contract (10-15 years.)

Contracts on 3.3 million acres of CRP are set to expire on Sept. 30, 2013. Producers with expiring contracts or producers with environmentally sensitive land are encouraged to evaluate their options under CRP.

For more information on CRP and other FSA programs, visit a local FSA service center or www.fsa.usda.gov.

Acreage Certification

After spring planting, producers should certify their 2013 acreage. Filing an accurate acreage report for all crops and land uses, including failed acreage and prevented planting acreage, can prevent the loss of benefits for a variety of programs.

Failed acreage must be reported within 15 days of the disaster event and before disposition of the crop. Prevented planting must be reported no later than 15 days after the final planting date.

Acreage reports are required for many Farm Service Agency programs. For crops enrolled in programs other than NAP (Noninsured Crop Disaster Assistance Program), acreage reports for most spring planted crops (exception cabbage) are to be certified by the July 15.

Acreage reports on crops covered by NAP are due in the county office by the earlier of July 15 for most spring planted crops, or 15 calendar days before the onset of harvest or grazing of the specific crop acreage being reported.

Adjusted Gross Income

USDA and the Internal Revenue Service have established an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent is required from each producer or payment recipient for the tax review process. No actual tax data will be included in the report that IRS sends to FSA.

This ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are $500,000 nonfarm average AGI for commodity and disaster programs; $750,000 farm average AGI for direct payments; and $1 million nonfarm average AGI for conservation programs.

Participants in CCC programs subject to average AGI rules must submit form CCC-931 to their local FSA County Office to avoid interruption of program benefits. This form may be obtained from local FSA and NRCS offices or online at: http://forms.sc.egov.usda.gov/eforms/mainservlet.

Farm Storage Facility Loans

The Farm Storage Facility Loan Program (FSFLP) 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 seven, 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 U.S. Treasury Department.

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

Guaranteed Loan Program

The Farm Service Agency loan limit for the Guaranteed Loan Program has increased to $1,302,000. The limit is adjusted annually based on data compiled by the National Agricultural Statistics Service.

The lending limit increases every year according to an inflation index. The maximum combined guaranteed and direct farm loan indebtedness has increased to $1,602,000.

As a reminder, the one-time loan origination fee charged on FSA guaranteed farm ownership and operating loans is 1.5 percent of the guaranteed portion of the loan.

Producers should contact their local FSA County Offices with questions about farm loans.

Rural Youth Loans

The Farm Service Agency 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.

For more information you can stop by your FSA county office. Our staff can help with preparing and processing the application forms.

Land Contract (LC) Guarantees

The Land Contract (LC) Guarantee Program is a valuable tool to transfer farm real estate to the next generation of farmers and ranchers. Guarantees will be offered to the owner of a farm who wishes to sell real estate through a land contract to a beginning or socially disadvantaged farmer or rancher. The guarantee reduces the financial risk to the seller.

FSA offers two types of guarantees:

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

The guarantee period is 10 years and the contract payments must be amortized for a minimum of 20 years. The purchase price of the farm cannot exceed the lesser of $500,000 or the market value of the property.

For additional information you can read the Land Contract Guarantee Program Fact Sheet.

Farm Record Changes

June 1, 2013 is the deadline to provide changes to your farm records at the local FSA office for the current crop year. If you are changing your operation entity type, adding or dropping cropland or farms, or adding entities to your operation, contact the FSA county office by June 1.

Maintaining the Quality of Loaned Grain

Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

Unauthorized Disposition of Grain

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under a loan contract.

Marketing Assistance Loans (MAL)

Short-term financing is available by obtaining low interest commodity loans for eligible harvested production. A nine-month Marketing Assistance Loan provides financing that allows producers to store production for later marketing. The crop may be stored on the farm or in the warehouse.

Loans are available for producers who share in the risk of producing the eligible commodity and maintain beneficial interest in the crop through the duration of the loan. Beneficial interest means retaining the ability to make decisions about the commodity, responsibility for loss because of damage to the commodity and title to the commodity. Once beneficial interest in a commodity is lost, it is ineligible for a loan, even if you regain beneficial interest.

Farm Safety

Flowing grain in a storage bin or gravity-flow wagon can be fatal. It takes less than five seconds for a person caught in flowing grain to be trapped.

The mechanical aspects of grain handling equipment, also present real dangers. 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 both adults and children. It is always advisable to keep children a safe distance from operating farm equipment. Always use extra caution when backing up or maneuvering farm machinery. Ensure everyone is visibly clear and accounted for before machinery is engaged. Remember to always put safety first.

Selected Interest Rates for April 2013	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	1.375%
Farm Ownership - Direct	3.500%
Limited Resource	5.00%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency	2.375%
Farm Storage Facility – 7 year	1.375%
Farm Storage Facility – 10 year	2.000%
Farm Storage Facility – 12 year	2.250%
Sugar Storage Facility	2.500%
Commodity Loans 1996-Present	1.125%

Dates to Remember	
April 1	Honey Loans Sign-up ends
May 1	Hispanic and Women Claims Deadline
May 20	45th CRP Sign-up opens
June 3	ACRE Sign-up ends
June 14	CRP Sign-up ends
Aug. 2	DCP Sign-up ends

USDA is an equal opportunity provider and employer.