

# MARION COUNTY FARM SERVICE AGENCY NEWS BITS

## September 2010

Marion County FSA Committee:

John Beitel, Chairperson

Gary Butler, Vice-Chairperson

Lori Pavlicek, Regular Member

Martin Nguyen – CED ([martin.nguyen@or.usda.gov](mailto:martin.nguyen@or.usda.gov))

REGULAR MEETING DATE – 2nd Thursday of the Month, most months



Marion County FSA Office

650 Hawthorne Avenue SE, Suite 130

Salem, Oregon 97301-5894

Phone: (503)399-5741

FAX (503)399-5799

The United States Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, sexual orientation, and parental, marital or familial status, religion, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance programs. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact the USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). **USDA is an equal opportunity provider and employer.**

OR FSA - <http://www.fsa.usda.gov/or/or.htm>

USDA - <http://www.usda.gov>

FSA - <http://www.fsa.usda.gov/pas/default.asp>

NRCS - <http://www.nrcs.usda.gov/>

FCIC - <http://www.act.fcic.usda.gov/>

### Important Dates and Deadlines:

**Sept. 30, 2010** – 2008 SURE Application Deadline

**Oct. 11, 2010** – Office Closed, Columbus Day

**Oct. 18, 2010** – Marion SWCD Annual Meeting

**Nov. 11, 2010** – Office Closed, Veterans Day

**Nov. 25, 2010** - Office Closed, Thanksgiving Day

**Oct. 1, Nov. 20, Nov. 30** – 2011 NAP application closing dates (*see following table for applicable crops and dates*)

## Supplemental Revenue Assistance Program (SURE) Application Deadline - September 30<sup>th</sup>

**The deadline to submit USDA Farm Service Agency 2008 Supplemental Revenue Assistance (SURE) program payment applications is close of business on September 30, 2010.** Applications not filed by September 30, 2010, will not be eligible to receive a payment.

SURE provides crop disaster assistance payments to eligible producers on farms that have incurred crop production or crop quality losses. The program takes into consideration crop losses on all crops grown by a producer nationwide. SURE provides assistance in an amount equal to 60 percent of the difference between the SURE farm guarantee and total farm revenue. The farm guarantee is based on the amount of crop insurance and Non-insured Crop Disaster Assistance Program (NAP) coverage on the farm. Total farm revenue takes into account the actual value of production on the farm as well as insurance indemnities and certain farm program payments.

To be eligible for SURE, producers must have suffered at least a 10 percent production loss on a crop of economic significance. In addition, producers must meet the risk management purchase requirement by either obtaining a policy or plan of insurance, under the Federal Crop Insurance Act or NAP coverage, for all economically significant crops. For 2008 crops, producers had the opportunity to obtain a waiver of the risk management purchase requirement through a buy-in provision. Producers considered socially disadvantaged, a beginning farmer or rancher, or a limited resource farmer may be eligible for SURE without a policy or plan of insurance or NAP coverage.

### FSA Conservation Loan Program

 FSA is launching a new Conservation Loan (CL) program that provides farm owners and farm-related business operators access to credit for certain conservation practices to reduce soil erosion, improve water quality and promote sustainable and organic agricultural practices. Conservation practices must be approved by the Natural Resources Conservation Service (NRCS.) Examples of eligible practices are installation of conservation structures; establishment of forest cover; installation of water conservation measures; establishment or improvement of permanent pastures; implementation of manure management; and the adaptation of other emerging or existing conservation practices, techniques or technologies. Direct CL loans can be up to \$300,000 and Guaranteed CLs from lenders working with FSA can go up to \$1,112,000. For more information on the Conservation Loan program, contact a local FSA office or visit the FSA website at [www.fsa.usda.gov](http://www.fsa.usda.gov). You can also read the notice appearing in the September 3 edition of the *Federal Register*.

## **Rural Youth Loans**

The 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 \$5000.

### **Youth Loan Eligibility Requirements:**

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Reside in a rural area, city or town with a population of 50,000 or fewer people
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms. The FSA staff can help you with questions you may have about a particular program.

## **FSA Farm Loans**

The Farm Service Agency (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 detail information loan eligibility or the different available loan programs, just contact the Marion County office staff for an appointment with a farm loan officer.

## **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 percent of the county's average size.

Each member of an entity must meet the eligibility requirements. Loan approval is not guaranteed.

Additional program information, loan applications, and other materials are available at the Salem USDA Service Center. You may also visit [www.fsa.usda.gov](http://www.fsa.usda.gov)

## **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 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.

## **Marketing Assistance Loans**

A 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; 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 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.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans.

The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

## **Succession in Interest**

If you have made any changes that affect your interest in base acres since you signed your last Direct and Counter-cyclical Program contract, you must report these *successions-in-interest* to the county committee by Sept. 30, so that a final determination can be made on who is eligible for the program on the farm.

Changes that qualify as a succession-in-interest include:

- A sale of land
- A change of operator or producer, including an increase or decrease in the number of partners
- A foreclosure, bankruptcy or involuntary loss of the farm.
- A change in producer shares to reflect changes in the producer's share of the crop(s) that were originally approved on the contract.

If a succession-in-interest has taken place, you, as the “predecessor,” are required to refund any advance DCP payments you received for the affected base acres before a payment can be made to the “successor.”

Not reporting a succession-in-interest can result in contract termination and a loss of program benefits for all producers involved.

**U.S. DEPARTMENT OF AGRICULTURE  
 FARM SERVICE AGENCY  
 Marion County FSA Committee  
 650 Hawthorne Ave. SE, Suite 130  
 Salem, OR 97301-5894**

PRSRT STD US POSTAGE  PAID TUALATIN, OR PERMIT NO. 71
---

**NON-INSURED CROP DISASTER ASSISTANCE PROGRAM (NAP)**  
**2011 Application Closing Dates**

This is a reminder to all producers to stop by the FSA office to turn in an application for coverage for 2011 NAP crops prior to the posted closing date. A non-refundable annual service fee is required at the time of application. Fees are the lesser of \$250 per crop or \$750 per producer per administrative county. Total fees shall not exceed a total of \$1,850 per producer with farming interests in multiple counties. Producers with questions about NAP coverage are encouraged to contact the Marion County FSA office for additional information.

Upcoming Application Closing Dates	
Closing Dates	2011 NAP Crops
October 1, 2010	Asparagus, Garlic, Mint, Hops, Meadowfoam, Sugarbeet, Triticale grain
November 20, 2010	Apples, Apricots, Blueberries, Caneberries, Chestnuts, Cherries, Cranberries, Grapes, Hazelnuts, Honey, Nectarines, Peaches, Pears, Plums, Prunes, Strawberries, Walnuts
November 30, 2010	All forage and grazing crops except Oats. All grasses and legumes for seed

**Natural Resource Conservation Service Programs Available**

Natural Resources Conservation Service (NRCS) can provide planning assistance to help agricultural producers identify options that provide the greatest conservation benefit while meeting production goals. Those who have completed the planning process may be eligible for cost share or program assistance to implement measures identified in their conservation plan. Some of the programs offered are the Environmental Quality Incentives Program (EQIP), Conservation Stewardship Program (CStP) and Agricultural Water Enhancement Program (AWEP). For a complete listing of all Federal Programs NRCS has to offer, visit NRCS Web at: [WWW.or.nrcs.usda.gov](http://WWW.or.nrcs.usda.gov) or contact Les Bachelor, NRCS District Conservationist (503)-399-5741 x122. All NRCS have continued sign-ups for all programs but have cut-off dates to batch and rank applications for funding. Contact NRCS today to begin identifying your goals in conservation of our natural resources.

**Marion Soil & Water Conservation District**  
**Annual Meeting Announcement**

Please join us for the 39<sup>th</sup> Marion SWCD Annual Meeting, Dinner, & Awards on October 18<sup>th</sup>, 2010 at 5:30PM. The meeting will be held at the KROC Center in Salem, OR. Cost of the "buffet-style" dinner and dessert will be \$5.00/person. To RSVP, Please contact Janice at (503)391-9927. Seating is limited for dinner. For additional information, please visit <http://marionswcd.net>

Interest Rates for September 2010	
Farm Operating – Direct	2.375%
Farm Ownership – Direct	4.375%
Farm Ownership – Direct Down Payment	1.500%
Emergency Loan – Actual Loss	3.750%
Farm Storage Facility Loan	2.250-3.125%
Commodity Loans	1.250%