



September 2010

Glenn County FSA News

USDA

Glenn County USDA Service Center

Glenn County FSA Office
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www.fsa.usda.gov

Hours

Monday – Friday
7:00 a.m. – 4:30 p.m.

County Committee

Ed Owens - Chairperson
Peter Knight
Eric Larrabee
Tariq Khan- Advisor

County Executive Director

Donald Perez

Farm Loan Manager

Michele Larrick

Staff

Michele Clark
Gerri Edwards
Elaine Gallegos
Cynthia Jones
Tana Aguiar
Ray Philp
Judy Richter
Shaleen Swanson
Aileen Garcia
Cathy Silveira

September 30 Deadline for SURE Applications

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 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.

ELAP Assistance Available

Aid from the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) is available to those producers who suffered losses in 2010 because of disease, adverse weather or other conditions.

For 2010 and subsequent year losses, sign-up will end no later than 30 calendar days after the end of the calendar year in which the loss occurred. See program details for other Notice of Loss deadlines. Under ELAP, producers will be compensated for losses that are not covered under other Supplemental Agricultural Disaster Assistance Payment programs established by the Food, Conservation, and Energy Act of 2008.

Assistance for Asparagus and Catfish Producers – Sept. 23 Deadline

Asparagus and catfish producers and those who shared in the risk of production for those agricultural products in 2009 may now be eligible for assistance under the Trade Adjustment Assistance (TAA) program. The deadline for application is September 23, 2010. As authorized under the 2008 Farm Bill, the TAA Program offers free technical training and compensation for producers of those crops now affected by foreign competition. TAA provides up to \$4,000 for development of an initial business plan and \$8,000 for development of a long-term business adjustment plan. Producers must provide proof of production in 2009 and one year prior and are subject to AGI eligibility limits. Contact your local FSA office or visit www.fsa.usda.gov for more information.

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.

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.

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

For more information about FSFL please visit your FSA county office or

NAP Coverage

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. NAP provides coverage equivalent to catastrophic (CAT) insurance. Statutes limit NAP coverage to each commercial crop or agricultural commodity, except livestock, for which CAT is not available.

Application deadlines for 2011 NAP coverage for a variety of crops are coming up in the next few months. Contact your nearest FSA office for specific deadlines.

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.

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

- 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.
- File a "Notice of Loss" within 15 days of when a loss is apparent, due to drought, hail and other natural causes.

For more information and specific NAP crop deadlines, contact your nearest Farm Service Agency office.

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 \$1,112,000. 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 more information on loan eligibility or the different loan programs available, just contact the county office staff for an appointment with a farm loan officer.

Signup for Durum Wheat Quality Program

The Farm Service Agency (FSA) is currently taking applications for the Durum Wheat Quality Program (DWQP). The program will partially compensate producers for the costs associated with fungicide application on 2010 durum wheat. This compensation is for durum growers that fought Fusarium Head Blight (FHB) which is commonly called wheat scab.

Durum producers have until September 15, 2010, to apply for fungicide application reimbursement under the DWQP program. The fungicide payment rate for the chemical will be established by the FSA National Office. The reimbursement rate for the cost of application will be set by the state committees in each durum producing state.

Producers can prepare for DWQP signup by gathering their 2010 fungicide bills that doc-

ument their Fusarium fighting efforts. For more information about this program producers can contact their local FSA office.

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 a 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.

Selected Interest Rates for September 2010	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	2.375%
Farm Ownership - Direct	4.375%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency – Actual Loss	3.750%

Dates to Remember	
Sept. 15	Signup for Durum Wheat Quality Program Ends
Sept. 23	TAA Asparagus / Catfish Program Deadline
Sept 30	Succession in Interest Report to County Committee
Sept 30	SURE Application Deadline
various	NAP Deadlines – See your nearest FSA office

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