

# Central Oregon FSA Newsletter

Deschutes, Crook, Jefferson Counties January 2010



Central Oregon Farm  
Service Agency

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## Your County Committee:

Ken Miltenberger, Chairperson  
Adam Barney, Vice-Chairperson  
Mike Macy, Regular Member  
Brigette Whipple, Regular Member

## County Committee (COC) Election

### Results

County Committee (COC) elections were held this year for Local Administrative Area (LAA) 3, covering Crook County and (LAA) 4, covering Deschutes County. The results of the election are as follows...

### LAA 3 Election Results

Adam Barney- COC Member

### LAA 4 Election Results

Ken Miltenberger- COC Member  
John Gunzner-1<sup>st</sup> Alternate  
Patricia Gainsforth- 2<sup>nd</sup> Alternate

## Wool & Mohair LDP/MAL Deadline- 2009 Production

The deadline to submit production on wool Loan Deficiency Program (LDP's) or Marketing Assistance Loans (MAL's) is January 31, 2010 for all 2009 wool & mohair production. A CCC-633EZ page 1 must have been received in the county office prior to losing beneficial interest in order to be eligible to request 2009 LDP's. To file a request a CCC-633EZ page 4 must be completed along with any production evidence. In addition to filing the CCC-633EZ forms a 2009 Acreage Report, Adjusted Gross Income form, and any other applicable eligibility forms not completed must be filed to be eligible for LDP's & MAL's. Late file fees may apply along with spot-check if late filing an acreage report.

### Attention Husbands & Wives

A husband and wife may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made with the County Office from either spouse. Husbands and wives who have an "official" joint ventures or partnerships must have power of attorney on file to sign for the entity.

## Non-Insured Assistance Program (NAP)

Producers who have paid for NAP coverage and suffer a weather related crop loss must notify our office and file a notice of loss within 15 days of the date of the weather event or are aware of the crop damage. An inspection must be performed on any acreage for which the intended use has been changed or for any acreage that will not be taken to harvest prior to destroying or abandoning the crop acreage. **Before destroying or replanting the failed acreage producers must file an acreage report for the failed acres.**

### Direct Deposit

Under Direct Deposit provisions, if you have changed your financial institution we must have a new direct deposit form (SF-1199A) completed along with a written statement directing us to terminate your old direct deposit on file. Failure to do so may result in delayed payments. If you have any questions, please contact our office.

### Foreign Investors

Foreign investors who acquire, transfer, or hold interest in agricultural land must report these holdings to the Secretary of Agriculture within 90 days. This may be done by completing form FSA-153, available at any FSA office. The report is required by law and persons who fail to report, or who are late reporting, face possible fines.

## Don't Forget to Report All Farm Changes

If there have been any changes in the operation of your farm, such as new owners, operators, changes in land, addresses, etc..., please notify our office as soon as possible. Failure to do so may result in delayed, incorrect or denied payments.

## **Direct & Counter Cyclical Payment (DCP)**

The new Farm Bill Authorized DCP through 2012. To participate in DCP, producers are required to designate shares and sign the Direct & Counter-Cyclical Program Contract (CCC-509) on a yearly basis. The annual DCP sign-up period runs from October 1 to June 1 of the applicable program year. **Contracts received after June 1<sup>st</sup>, 2010 will not be accepted.**

All supporting documentation, such as CCC-902, AD-1026, and CCC-926, must be submitted before payments can be issued. Annual acreage reports indicating uses of all cropland on a farm must be filed by June 30<sup>th</sup> of each year. Acreage reports filed after the applicable final reporting date may be accepted if all requirements are met and a late-filed fee is paid. \*A farm resulting from a reconstitution may be enrolled in DCP if all signatures on CCC-509 are obtained by the later of either June 1 or 30 calendar days following producer notification of the reconstitution.

## **Average Crop Revenue Election Program (ACRE)**

This is a new program as a result of the 2008 Farm Bill. Purpose of the program is to protect against crop revenue shortfall resulting from price and/or production declines at state and farm level. Production is on crops a producer plants not the farms historical plantings. Producer(s) must decide if the farm will be enrolled in ACRE or DCP program. If enrolled in ACRE, there are no counter cyclical payments; there is a 20% reduction in direct payments that were calculated from DCP; there is a 30% reduction in marketing assistance loan rates. Farm(s) must have base acres to participate and all owners on the farm must agree to participate. Once a farm elects to be in ACRE it will always be in ACRE and cannot later choose to enroll in DCP. Two triggers must be met before payments can be issued. The State ACRE Guarantee for the crop must exceed Actual State Revenue and the farms ACRE Benchmark Revenue must exceed Actual Farm Revenue.

## **Payment Limitation Provisions**

Payments & benefits under certain programs are subject to some or all of the following: *payment limitation, cash-rent tenant rule, foreign person rule, actively engaged in farming requirements, average adjusted gross income limitation.*

Applicable programs and payment limitations are:

| <b>Payment Type</b>  | <b>Annual Limitation (In Dollar)</b> |
|--|--------------------------------------|
| CRP/CREP Annual Rental & One time Incentives   | \$50,000                             |
| Total of the following for all loan commodities except wool, mohair & honey <ul style="list-style-type: none"><li>• Marketing Loan Gains (MAL's)</li><li>• Loan Deficiency Program (LDP's)</li></ul> | \$75,000<br>\$75,000                 |
| Total of: Wool, Mohair & Honey   | \$75,000                             |
| Noninsured Crop Disaster Assistance Program (NAP)  | \$100,000                            |
| Supplemental Revenue Assistance Program (SURE, LIP, LFP, ELAP)   | \$100,000                            |
| DCP Direct Payment   | \$40,000                             |
| Counter-Cyclical (CC) & Average Crop Revenue Election Program (ACRE)   | \$65,000                             |
| LDP & Market Gain  | Unlimited                            |

## **BIOMASS CROP ASSISTANCE PROGRAM (BCAP)**

Biomass conversion facilities can begin signing up to participate in the Biomass Crop Assistance Program (BCAP). **The program provides financial assistance to producers who deliver eligible material to biomass conversion facilities** and FSA will provide financial assistance to collect, harvest, store and transport eligible materials.

Owners of eligible material can receive financial assistance for delivering qualified biomass to conversion facilities that use biomass for heat, power, bio-based products or advanced biofuels.

Once an agreement is signed between FSA and a facility **AND** funding through the program is provided, the facilities can begin accepting materials. Producers who sell these materials can apply for matching payments under the collection, harvest, storage and transportation (CHST) component of BCAP.

The matching CHST payments are paid at a rate of \$1 for \$1 per dry-ton equivalent received from a qualified biomass conversion facility, not to exceed \$45 per dry-ton equivalent. A biomass owner is eligible to receive payments for two years. The purpose of the matching payments is to assist biomass producers with the CHST cost of delivering biomass to a qualified biomass conversion facility.

Biomass conversion facilities may become "qualified" by submitting a Memorandum of Understanding (MOU) to the FSA state offices. The MOU generally provides the requirements for becoming a qualified biomass conversion facility. Once a facility becomes qualified, eligible material owners or producers who deliver biomass to that facility may be eligible to receive CHST payments. Eligible material owners or producers, who market eligible material to a qualified biomass conversion facility, may apply for the matching CHST payment at their FSA county office. **An application must be submitted and approved before the eligible material is sold and delivered to a qualified biomass conversion facility.**

After the product is delivered, a producer must provide FSA with documentation of product quantity, quality and payment rate. County offices will validate payment requests with information in the county office and information provided under the terms of MOUs with the qualified biomass conversion facilities. For more information, you may visit the FSA website:

[www.fsa.usda.gov](http://www.fsa.usda.gov)

## **Farm Purchase and Operating Loans Targeting Socially Disadvantaged Groups**

The USDA Farm Service Agency (FSA) offers farm loans. The loan programs are designed to help farmers purchase and operate family farms. With these loan programs, FSA hopes to help reverse the declining number of socially disadvantaged farmers and ranchers across the United States. The intended outcome is to encourage and assist these farmers and ranchers in owning and operating their own farms and ranches, participate in agricultural programs, and become integral parts of the agricultural community. FSA reserves a portion of its loan guarantee funds each year to assist in this goal. USDA defines socially disadvantaged applicants as a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. For purposes of this program, the groups are women, African Americans, American Indians and Alaskan Natives, Hispanics, and Asians and Pacific Islanders.

Direct loans are made to applicants by FSA and include both farm operating and farm ownership loans.

Guaranteed loans also may be made for farm ownership or operating purposes, and may be made by any lending institution subject to Federal or State supervision (banks, savings and loans, credit unions, and units of the Farm Credit System including the Bank for Cooperatives) and guaranteed by FSA. Typically, FSA guarantees 90 or 95 percent of a loan against any loss that might be incurred if the loan fails.

Repayment terms for direct operating loans depend on the collateral securing the loan and usually run from 1 to 7 years. Repayment terms for direct ownership loans can be as long as 40 years.

Guaranteed loan terms are set by the lender. Interest rates for direct loans are set periodically according to the Government's cost of borrowing. Interest rates for guaranteed loans are established by the lender. Farm ownership loan funds may be used to purchase or enlarge a farm or ranch, purchase easements or rights of way needed in the farm's operation, build or improve buildings such as a dwelling or barn, promote soil and water conservation and development, and pay closing costs.

Farm operating loan funds may be used to purchase livestock, poultry, farm equipment, fertilizer, and other materials necessary to operate a successful farm. Operating Loan funds can also be used for family living expenses, refinancing debts under certain conditions, paying salaries for hired farm laborers, installing or improving water systems for home, livestock, or irrigation use, and other similar improvements.

**Applications for all FSA direct loan programs are made through FSA's Marion County Office. The county office is located at 650 Hawthorne Avenue SE, Suite #130, Salem, Oregon 97301. The phone number is (503) 399-5741, ext. #2.**

Return Service Requested

## 2010 Acreage Reporting

Annual Acreage Reporting is required for most Programs that FSA administers for Farm Bill Programs. **Before a producer can report their crop acreage they must have planted their 2010 crop(s)**; Planting dates are required, along with crop name, crop type, crop intended use, irrigated or non-irrigated, total acres planted in each field, crop shares, and copies of leases for newly acquired ground or for

ground with expired leases. For SURE, LIP, LFP producers reporting grazed and/or hayed ground is now required. Please contact the county office with any changes from the previous year(s) farmed ground so that we can reduce any delays and be accurate in the acreage reporting. **The deadline for reporting your 2010 crop acreage is June 30, 2010.** Please call the office should you have any questions

regarding acreage reporting or any other programs for the 2010 year.



## Upcoming Dates to Remember



**January 18, 2010**

USDA Service Center closed for the observed Holiday (Martin Luther King, JR, Birthday)

**January 31, 2010**

Last day to request 2009 wool or mohair LDP's /MAL's

**February 15, 2010**

USDA Service Center closed for the Presidents Day Holiday

**June 1, 2010**

Last day to submit 2010 Direct & Counter-Cyclical (DCP) contracts (CCC-509)

**June 30, 2010**

Acreage Reporting deadline for 2010 crops

**June 30, 2010**

Last day to submit 2009 Actual Production History (APH)

## Special Accommodations

FSA programs are available to all eligible interested persons. Special accommodations will be made, upon request, for individuals with disabilities, vision impairment, or hearing impairment. If accommodations are required please contact the FSA office.

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