



NEWSLETTER



October 2011

Virginia State FSA Office

**J. Calvin Parrish
State Executive
Director**

1606 Santa Rosa Rd
Suite 138
Richmond, VA 23229

804-287-1503 phone
804-287-1723 fax

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

State Staff

Pete Adamson, Chief
Farm Loans

Nelson Link, Chief
Farm Programs

Connie Washburn-Marsh, Chief
Administration

Linda Cronin, Outreach &
External Affairs Coordinator

Virginia FSA Internet

More Information about Virginia FSA programs, activities and news can be found on the VA FSA Internet at <http://www.fsa.usda.gov/va>

2011 DCP Final Payments

DCP payments for 2011 participants will be issued after Oct. 1, 2011. These payments will be deposited directly into participating producers' personal bank accounts.

If there are any unearned payments, Commodity Credit Corporation will automatically subtract those amounts from the October Direct and Counter-Cyclical Program payments.

2012 DCP Sign-Up

Enrollment for the 2012 Direct and Counter-Cyclical Program (DCP) will begin on January 23, 2012 and continue through June 1, 2012. Producers can make use of the eDCP automated website to sign up, or they can visit the FSA office to complete their 2012 DCP contract.

Eligible producers receive direct payments at rates established by statute regardless of market prices.

Livestock Indemnity Program

The Livestock Indemnity Program (LIP) is an ongoing livestock disaster program aimed at producers who have lost livestock due to an adverse weather condition occurring on or before September 30, 2011. A producer has until 30 days after the disaster event occurred or loss of the livestock is apparent to file a Notice of Loss with the County Office. Livestock may perish within 60 days of the disaster event. A Notice of Loss may be accepted either by telephone, fax, e-mail, or in person. To be eligible for LIP, a livestock producer must have owned the eligible livestock on the

day the livestock died and the livestock must have been maintained for commercial use as part of a farming operation.

Applicants must provide adequate proof that the eligible livestock deaths occurred as a direct result of an eligible adverse weather event for which benefits are being requested. The quantity and kind of livestock that died as a direct result of the eligible disaster event may be documented by: purchase records, veterinarian records, bank or other loan documents, rendering truck receipts or certificates, Federal Emergency Management Agency records, National Guard records, written contracts, production records, records assembled for tax purposes, property tax records, private insurance documents, and similar documents.

Emergency Livestock Assistance Program (ELAP)

ELAP provides compensation to eligible producers of livestock, honey bees and farm-raised fish for losses due to disease, adverse weather, or other loss conditions, including losses caused by blizzards and wildfires. ELAP is for losses that are not covered by Livestock Indemnity Program (LIP), Livestock Forage Disaster Program (LFP), or Supplemental Revenue Assistance Program (SURE).

Eligible producers under ELAP may receive assistance for losses that occur on or after Jan. 1, 2008, and on or before Sep. 30, 2011, during the calendar year in which the loss

occurs. Eligible losses include feed losses, physical losses, and additional costs incurred in providing feed to eligible livestock.

There are two parts to the ELAP application process:

1. A notice of loss (filed within 30 days from the loss being apparent)
2. Application for payment

An application for payment cannot be filed without a notice of loss. The application for payment and all applicable documentation must be received by January 30, 2012.

There are no late filed provisions for ELAP. Producers with eligible losses must timely file an acreage report on grazing land acres, honey bee colonies and farm-raised fish pond acres.

Eligible physical losses of honey bees and honey bee hives due to adverse weather or loss conditions are eligible under ELAP. Producers will be required to provide documentation of beginning and ending inventory of honey bee colonies when claiming a physical loss of honey bees or honey bee hives.

Additional ELAP information is available at FSA county offices or on line at www.fsa.usda.gov.

Farm Safety

Flowing grain in a storage bin or gravity-flow wagon is like quicksand, it can kill quickly. It takes less than five seconds for a person caught in flowing grain to be trapped.

The mechanical aspects of grain handling equipment, also presents a real danger. 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 adults; not to mention children. It is always advisable to keep children a safe distance from operating farm equipment. Always use extra caution when backing or maneuvering farm machinery. Ensure everyone is visibly clear and accounted for before machinery is engaged.

FSA wants all farmers to have a productive crop year, and that begins with putting safety first.

Rural Youth Loans

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.

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 than 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 median 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 your local USDA Service Center. You may also visit 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

Marketing Assistance Loans for crop years 2009 through 2012 are available to producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop through the time of application. 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 you regain beneficial interest.

Commodity loan eligibility also requires you comply with conservation and wetland protection requirements; beneficial interest requirements, report how you use cropland acreage on the farm and ensure that the commodity meets Commodity Credit Corporation (CCC) 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 Program 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

Hispanic and Women Farmers

A process to resolve the claims of Hispanic and women farmers and ranchers who believe they were discriminated against when seeking USDA farm loans has been established.

If you believe that the United States Department of Agriculture (USDA) improperly denied farm loan benefits to you between 1981 and 2000 because you are Hispanic, or because you are female, you may be eligible to apply for compensation.

For additional information on this and other settlement issues contact:

- **Hispanic and Women Farmer Claims Process, please visit:**
www.farmerclaims.gov
or call 1-888-508-4429
- **Pigford – The Black Farmers Discrimination Litigation, please visit:**
www.blackfarmcase.com
or call 1-866-950-5547
- **Keepseagle - The Native American Farmers Class Action Settlement please visit:**
www.IndianFarmClass.com
or call 1-888-233-5506

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 www.fsa.usda.gov.

County Committee Elections

Watch your mailbox for the official county office committee election ballot starting early next month. Ballots will be mailed to all eligible voters starting Nov. 4, 2011. If for some reason you don't receive a ballot, feel free to notify the county FSA office.

Completed and signed ballots are due back in the county office by the close of business on Dec. 5, 2011.

Acreage Spot Check Determinations and Notification

Each year the Farm Service Agency completes spot checks of acreage reports. Acreage reports are an integral part of farm program participation. Acreage spot checks are completed to ensure accurate acreage reports are used in farm program computations.

FSA will conduct spot checks on a selected number of farms in each state. All acreage determinations will be completed using the FSA Geographic Information System official acreages.

After farms are spot checked, a Notice of Determined Acreage will be sent to the farm operator. Producer notifications will be issued by FSA as spot checks are completed. Questions concerning determined acres should be directed to your local FSA office for further explanation.

Farm Loan Program Limits

The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, or regularly borrow from FSA, direct and guaranteed loans are currently available.

Ask your lender about an FSA loan guarantee if you've had a setback and your lender is reluctant to extend or renew your loan.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans have a maximum limit of \$1,214,000 starting on Oct. 1, 2011. This makes the maximum combination of direct and guaranteed loan indebtedness \$1,514,000.

The one-time loan origination fee charged on FSA guaranteed farm ownership and operating loans has increased from 1 percent to 1.5 percent of the guaranteed portion of the loan, for loans obligated after Oct. 1, 2011.

To find out more about FSA loan programs, contact the county office staff.

Electronic Services Available

If a producer has Internet access, program participants can access many services from home 24-hours a day, seven days a week, and receive approval and payment by direct deposit within 48 hours.

To participate in these services, you must meet all program eligibility requirements. Online services have stringent security measures to protect your private information.

To utilize electronic services a producer needs an active USDA eAuthentication Level 2 account, which requires an e-mail address and filling out an online registration form at <http://www.eauth.egov.usda.gov/> followed by a visit to the county office for identity verification.

If you would like assistance establishing your account, just contact your local USDA Service Center.

TTPP Sign-Up Deadline for 2012 Payments

Tobacco quota holders and producers not currently enrolled in the Tobacco

Transition Payment Program (TTPP) have until close of business on Nov. 1, 2011 to sign up in order to receive a 2012 TTPP payment.

The TTPP, also known as the "tobacco buy-out," provides payments to eligible tobacco quota holders and producers from 2005-2014. Enrollment for TTPP must be completed at the Farm Service Agency (FSA) county office where the contract holder's or producer's farm records are maintained.

TTPP contract holders also are reminded that they have until Nov. 1, 2011, to sell their remaining annual payments to a successor in order to receive a lump-sum payment. Certain requirements must be met to qualify for lump-sum payments. More information on lump-sum payments is available online at <http://www.fsa.usda.gov/tobacco> or by calling the national FSA office at 202-720-7901.

Existing contract holders are reminded they may transfer their contract. Contacts may be transferred to a family member. This means a parent, grandparent or other direct lineal ancestor; child or other direct lineal descendent; spouse; or sibling.

If the contact holder is deceased, the contract can be transferred to the surviving spouse. If there is no surviving spouse, the TTPP contract can be transferred to the estate by any person allowed under state law to distribute the assets of the deceased.

The TTPP contract can also be transferred to a party who had purchased a tobacco marketing quota before October 22, 2004 and had placed the quota on the contract holder's farm with their consent before October 22, 2004.

Contact the county office for details and to submit the request for transfer (CCC-971) by November 1, 2011 for it to take effect

for the next payment scheduled in January 2012.

FSA Is Moving to Electronic Information

The USDA Farm Service Agency offices are moving toward a "paperless" operation, according to Calvin Parrish, State Executive Director for the Virginia FSA State Office. Virginia FSA offices will no longer be mailing monthly newsletters, reminder cards or other general information. However, County Committee ballots will continue to be mailed to all eligible producers.

Producers are asked to enroll in the new GovDelivery system which will provide notices, newsletters and reminders through electronic means. Also providing the local FSA office with the producers email will assist in a smooth transition to the new system.

Parrish said, "FSA, like many other organizations, is trying to work smarter and be more efficient. Moving to electronic notifications will help us conserve resources yet be in communication with our producers."

Interested producers may subscribe to receive e-mail updates by going to the USDA GovDelivery sign-up page found at <https://public.govdelivery.com/accounts/USDAOC/subscriber/new> or they can enroll the next time they visit their local FSA office.

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Dates to Remember	
9/30	PRF sales closing deadline
11/1	Final date to enroll in TTPP (first time participants)
9/30	NAP sales closing deadline for fall-seeded small grains and spring-seeded oats
Continues	Continuous Conservation Reserve program

Selected Interest Rates for September 2011	
90-Day Treasury Bill	0.125%
Farm Operating Loans - Direct	2.125%
Farm Ownership Loans - Direct	4.625%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.5%
Emergency Loans	3.75%
Farm Storage Facility Loans	1.875%
Commodity Loans 1996-Present	1.125%