

September 2015



Having trouble viewing this email? [View it as a Web page.](#)

- [A Message from the State Executive Director](#)
- [Producers in 35 Oregon Counties are Eligible to Apply for 2015 Livestock Forage Disaster Program \(LFP\) Benefits](#)
- [Livestock Indemnity Program \(LIP\)](#)
- [Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program \(ELAP\)](#)
- [All Oregon Counties are Eligible for Emergency Loans](#)
- [USDA Enrollment Period for Agriculture Risk Coverage and Price Loss Coverage \(ARC / PLC\) Safety-Net Programs Closes Sept. 30](#)
- [Deadline has been Extended for Enrollment in 2016 Dairy Margin Protection Program \(MPP\) until November 20](#)
- [USDA Encourages Producers to Consider Risk Protection Coverage before Fall Crop Sales Deadlines](#)
- [USDA Adds More Eligible Commodities for Farm Storage Facility Loans](#)
- [2011, 2012, 2013 and 2014 Average Adjusted Gross Income Compliance Reviews](#)
- [Guaranteed Loan Program](#)
- [Current Interest Rates](#)
- [Important Dates and Deadlines](#)

Oregon FSA Newsletter

State Farm Service Agency

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Tualatin, Oregon 97062-8121

www.fsa.usda.gov/or

State Committee:

Sam Asai, Chairman
Vernon Frederickson,
Member
Jason Smith, Member
Anna Sullivan, Member

A Message from the State Executive Director

I clearly remember looking forward to the arrival of the fall rains as a kid growing up on the farm south of Independence. These rains signaled the end of harvest, the changing of the season, and the start of school. But mostly their arrival meant there was less farming to do and we got a break from the heavy summer workload! As I pen this note from my office here in Tualatin there is a light rain falling outside my window and I'm again thankful to see it come. This summer has been marked by heat, drought and fire, and a good rain is probably what we all need to see right now.

This has been a tough year for many segments of Oregon Agriculture with drought conditions prevailing in most of the state,

State Executive Director:
Phil Ward

Farm Loan Chief:
Bob Perry

**Chief Administrative
Officer:**
Dan LoFaro

**Next State Committee
Meeting: December 16 - 17,
2015**

Please contact your local FSA Office for questions specific to your operation or county.

<https://offices.usda.gov>

and light crops and softening prices in many sectors. One of the primary reasons FSA exists is to help farmers and ranchers work through these kind of situations. That's one of the primary reasons I came to work here—to be a part of that effort.

FSA has tools to help you manage risk on your farms and ranches, and tools to help with the recovery when disaster strikes. But it is up to you to take advantage of them. If you have base acres, the deadline for final enrollment in the ARC/PLC program is the end of this month—don't miss the opportunity to get in to your county FSA office and complete the paperwork to make your operation eligible for payments. Sign up for the 2015 MPP Dairy program has been extended to November 20; don't forget to take advantage of this opportunity to help manage financial risk on your dairy. And, if you are a livestock operator suffering the effects of drought or fire, FSA has paid out more than \$75,000,000 in Oregon for losses incurred since 2012 through our livestock disaster programs—we can help with disaster recovery. And don't forget our loan program—we are helping Oregon producers buy new ground and secure operating funds every day.

But, it does take a visit to your county FSA office to make sure these programs are working for you. My staff looks forward to seeing you soon.

Phil

Producers in 35 Oregon Counties are Eligible to Apply for 2015 Livestock Forage Disaster Program (LFP) Benefits

Producers in Baker, Benton, Clackamas, Clatsop, Columbia, Coos, Curry, Crook, Deschutes, Douglas, Gilliam, Grant, Harney, Hood River, Jackson, Jefferson, Josephine, Klamath, Lake, Lane, Lincoln, Linn, Malheur, Marion, Morrow, Multnomah, Sherman, Tillamook, Umatilla, Union, Wallowa, Wasco, Washington, Wheeler and Yamhill Counties are eligible to apply for 2015 Livestock Forage Disaster Program (LFP) benefits on small grain, native pasture, improved pasture, annual ryegrass, forage sorghum.

LFP provides compensation to eligible livestock producers who suffer grazing losses for covered livestock due to drought on privately owned or cash leased land or fire on federally managed land.

County committees can only accept LFP applications after notification is received by the National Office of qualifying drought or if a federal agency prohibits producers from grazing normal permitted livestock on federally managed lands due to qualifying fire.

For 2015 and subsequent years, eligible livestock producers must complete a CCC-853 and the required supporting documentation no later than 30 calendar days after the end of the calendar year in which the grazing losses occurred. Losses must occur in the calendar year the application is being filed.

Additional Information about LFP, including eligible livestock and fire criteria, is available at your local FSA office or online at: www.fsa.usda.gov.

Livestock Indemnity Program (LIP)

The Livestock Indemnity Program (LIP) provides assistance to eligible producers for livestock death losses in excess of normal mortality due to adverse weather and attacks by animals reintroduced into the wild by the federal government or protected by federal law. LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to hurricanes, floods, blizzards, wildfires, extreme heat or extreme cold.

For 2015, eligible losses must occur on or after Jan. 1, 2015, and before December 31, 2015. A notice of loss must be filed with FSA within 30 days of when the loss of livestock is apparent. Participants must provide the following supporting documentation to their local FSA office no later than 30 calendar days after the end of the calendar year for which benefits are requested:

- Proof of death documentation
- Copy of growers contracts
- Proof of normal mortality documentation

USDA has established normal mortality rates for each type and weight range of eligible livestock. These established percentages reflect losses that are considered expected or typical under "normal" conditions. Producers who suffer livestock losses in 2015 must file both of the following:

- A notice of loss the earlier of 30 calendar days of when the loss was apparent or by January 30, 2016.
- An application for payment by January 30, 2016.

Additional Information about LIP is available at your local FSA office or online at: www.fsa.usda.gov.

Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program (ELAP)

The Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) provides emergency assistance to eligible livestock, honeybee, and farm-raised fish producers who have losses due to disease, adverse weather or other conditions, such as blizzards and wildfires, not covered by other agricultural disaster assistance programs.

Eligible livestock losses include grazing losses not covered under the Livestock Forage Disaster Program (LFP), loss of purchased feed and/or mechanically harvested feed due to an eligible adverse weather event, additional cost of transporting water because of an eligible drought and additional cost associated with gathering livestock to treat for cattle tick fever.

Eligible honeybee losses include loss of purchased feed due to an eligible adverse weather event, cost of additional feed purchased above normal quantities due to an eligible adverse weather condition, colony losses in excess of normal mortality due to an eligible weather event or loss condition, including CCD, and hive losses due to eligible adverse weather.

Eligible farm-raised fish losses include death losses in excess of normal mortality and/or loss of purchased feed due to an eligible adverse weather event.

Producers who suffer eligible livestock, honeybee, or farm-raised fish losses from October 1, 2014 to September 30, 2015 must file:

- A notice of loss the earlier of 30 calendar days of when the loss is apparent or by November 1, 2015
- An application for payment by November 1, 2015

The Farm Bill caps ELAP disaster funding at \$20 million per federal fiscal year.

The following ELAP Fact Sheets (by topic) are available online:

- **ELAP for Farm-Raised Fish Fact Sheet**
- **ELAP for Livestock Fact Sheet**
- **ELAP for Honeybees Fact Sheet**

To view these and other FSA program fact sheets, visit the FSA fact sheet web page at www.fsa.usda.gov/factsheets.

All Oregon Counties are Eligible for Emergency Loans

Baker, Benton, Clackamas, Clatsop, Columbia, Coos, Curry, Crook, Deschutes, Douglas, Gilliam, Grant, Harney, Hood River, Jackson, Jefferson, Josephine, Klamath, Lake, Lane, Lincoln, Linn, Malheur, Marion, Morrow, Multnomah, Polk, Sherman, Tillamook, Umatilla, Union, Wallowa, Wasco, Washington, Wheeler and Yamhill Counties were declared a primary/contiguous disaster due to drought and heat using the streamlined Secretarial Disaster Designation process. Under this designation, producers with operations in any primary or contiguous county are eligible to apply for low interest emergency loans.

The streamlined disaster designation process issues a drought disaster declaration when a county has experienced a drought intensity value of at least a D2 (severe drought) level for eight consecutive weeks based on the U.S. Drought Monitor during the crop year.

Emergency loans help producers recover from production and physical losses due to drought, flooding and other natural disasters or quarantine.

Producers have eight months from the date of the declaration to apply for emergency loan assistance. FSA will consider each loan application on its own merits, taking into account the extent of losses, security available and repayment ability. Producers can borrow up to 100 percent of actual production or physical losses, to a maximum amount of \$500,000.

For more information about emergency loans, please contact your local FSA office or visit www.fsa.usda.gov.

USDA Enrollment Period for Agriculture Risk Coverage and Price Loss Coverage (ARC / PLC) Safety-Net Programs Closes Sept. 30

Eligible producers are reminded that enrollment in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for 2014 and 2015 ends Sept. 30, 2015.

The new programs, established by the 2014 Farm Bill, trigger financial protections for agricultural producers when market forces cause substantial drops in crop prices or revenues. More than 1.76 million farmers have elected ARC or PLC. Previously, 1.7 million producers had enrolled to receive direct payments (the program replaced with ARC and PLC by the 2014 Farm Bill). This means more farms have elected ARC or PLC than previously enrolled under previously administered programs.

Nationwide, 96 percent of soybean farms, 91 percent of corn farms, and 66 percent of wheat farms elected ARC. 99 percent of long grain rice farms, 99 percent of peanut farms, and 94 percent of medium grain rice farms elected PLC. For data about other crops and state-by-state program election results go to www.fsa.usda.gov/arc-plc.

Covered commodities under ARC and PLC include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium grain rice (which includes short grain and sweet rice), safflower seed, sesame, soybeans, sunflower seed and wheat. Upland cotton is no longer a covered commodity.

For more information please contact your local FSA office <http://offices.usda.gov>.

Deadline has been Extended for Enrollment in 2016 Dairy Margin Protection Program (MPP) until November 20

USDA's Farm Service Agency (FSA) announced that the deadline to enroll for the dairy [Margin Protection Program](#) for coverage in 2016 has been extended until Nov. 20, 2015. The voluntary program, established by the 2014 Farm Bill, provides financial assistance to participating farmers when the margin – the difference between the price of milk and feed costs – falls below the coverage level selected by the farmer.

The Margin Protection Program gives participating dairy producers the flexibility to select coverage levels best suited for their operation. Enrollment began July 1 and ends on Sept. 30, 2015, for coverage in 2016. Participating farmers will remain in the program through 2018 and pay a \$100 administrative fee each year. Producers also have the option of selecting a different coverage level during open enrollment each year. Margin Protection Program payments are based on an operation's historical production. An operation's historical production will increase by 2.61 percent in 2016 if the operation participated in 2015, providing a stronger safety net.

USDA also has an online resource available to help dairy producers decide which level of coverage will provide them with the strongest safety net under a variety of conditions. The enhanced Web tool, available at www.fsa.usda.gov/mpptool, allows dairy farmers to quickly and easily combine their unique operation data and other key variables to calculate their coverage needs based on price projections. Producers can also review historical data or estimate future coverage based on data projections. The secure site can be accessed via computer, mobile phone, or tablet, 24 hours a day, seven days a week.

Dairy operations enrolling in the program must meet conservation compliance provisions. Producers participating in the Livestock Gross Margin insurance program may register for the Margin Protection Program, but this new margin program will only begin once their livestock dairy insurance coverage has ended. Producers must also submit form CCC-782 for 2016, confirming their Margin Protection Program coverage level selection, to the local Farm Service Agency (FSA) office. If electing higher coverage for 2016, dairy producers can either pay the premium in full at the time of enrollment or pay a minimum of 25 percent of the premium by Feb. 1, 2016.

For more information, visit FSA online at www.fsa.usda.gov/dairy for more information, or stop by a

local FSA office to learn more about the Margin Protection Program. To find a local FSA office in your area, visit <http://offices.usda.gov>.

USDA Encourages Producers to Consider Risk Protection Coverage before Fall Crop Sales Deadlines

Disaster Assistance is Available for Crops that are Ineligible for Federal Insurance

Farm Service Agency today encouraged producers to examine the available U.S. Department of Agriculture (USDA) crop risk protection options, including federal crop insurance and Noninsured Crop Disaster Assistance Program (NAP) coverage, before the sales deadline for fall crops.

Deadlines are quickly approaching to purchase coverage for fall-seeded crops. Producers are reminded that crops not covered by insurance may be eligible for the Noninsured Crop Disaster Assistance Program. The 2014 Farm Bill expanded NAP to include higher levels of protection. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage, as well as discounted premiums for additional levels of protection."

Federal crop insurance covers crop losses from natural adversities such as drought, hail and excessive moisture. NAP covers losses from natural disasters on crops for which no permanent federal crop insurance program is available, including forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

USDA has partnered with Michigan State University and the University of Illinois to create an online tool at www.fsa.usda.gov/nap that allows producers to determine whether their crops are eligible for federal crop insurance or NAP and to explore the best level of protection for their operation. NAP basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production, with higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price, including coverage for organics and crops marketed directly to consumers.

Deadlines for coverage vary by state and crop. To learn more about NAP visit www.fsa.usda.gov/nap or contact your local USDA Service Center. To find your local USDA Service Centers go to <http://offices.usda.gov>.

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at USDA's online .

Federal crop insurance coverage is sold and delivered solely through private insurance agents. Agent lists are available at all USDA Service Centers or at USDA's online Agent Locator: <http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#>. Producers can use the USDA Cost Estimator, <https://ewebapp.rma.usda.gov/apps/costestimator/Default.aspx>, to predict insurance premium costs.

USDA Adds More Eligible Commodities for Farm Storage Facility Loans

New Provisions Increase On-Farm Storage for Dairy, Flowers, Meats

FSA's Farm Storage Facility Loan (FSFL) program, which provides low-interest financing to producers to build or upgrade storage facilities, will now include dairy, flowers and meats as eligible commodities.

For 15 years, the FSFL program has provided affordable financing, allowing American farmers and ranchers to construct or expand storage on the farm and by adding eligible commodities; these low-interest loans will help even more family farmers and ranchers to expand on-site storage.

The new commodities eligible for facility loans include floriculture, hops, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Commodities already eligible for the loans include corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds harvested as whole grain, pulse crops (lentils, chickpeas and dry peas), hay, honey, renewable biomass, and fruits, nuts and vegetables for cold storage facilities.

Producers do not need to demonstrate the lack of commercial credit availability to apply. The loans are designed to assist a diverse range of farming operations, including small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

To learn more about the FSA Farm Storage Facility Loan, visit www.fsa.usda.gov/pricesupport or contact your local FSA county office. To find your local FSA county office, visit <http://offices.usda.gov>.

2011, 2012, 2013 and 2014 Average Adjusted Gross Income Compliance Reviews

The AGI verification and compliance reviews for 2011, 2012, 2013 and 2014 are conducted on producers who the IRS indicated may have exceeded the adjusted gross income limitations described in [7 CFR 1400.500]. Based on this review, producers will receive determinations of eligibility or ineligibility.

If the producer is determined to have exceeded the average AGI limitation of \$900,000, receivables will be established for payments earned directly or indirectly by the producer subject to the \$900,000 limitation. The State FSA Office has begun notifying producers selected for review. If you have any questions about the review process or determinations, please contact the Oregon State FSA Office at 503-692-3688. Producers who receive initial debt notification letters may only appeal the amount of the debt to their local FSA office. Payment eligibility adverse determinations become administratively final 30 days from the date of the payment eligibility adverse determination letter and can only be reopened if exceptional circumstances exist that prevented the producer from timely filing the appeal.

Guaranteed Loan Program

FSA guaranteed loans allow lenders to provide agricultural credit to farmers who do not meet the lender's normal underwriting criteria. Farmers and ranchers apply for a guaranteed loan through a lender, and the lender arranges for the guarantee. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. Guaranteed loans can be used for both farm ownership and operating purposes.

Guaranteed farm ownership loans can be used to purchase farmland, construct or repair buildings, develop farmland to promote soil and water conservation or to refinance debt.

Guaranteed operating loans can be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance and other operating expenses.

FSA can guarantee farm ownership and operating loans up to \$1,392,000. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your lender or local FSA farm loan office for more information on guaranteed loans.

Current Interest Rates

90-Day Treasury Bill = 0.125%

Farm Operating Loans — Direct = 2.625%

Farm Ownership Loans — Direct = 4.00%

Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher = 1.50%

Emergency Loans = 3.625%

Farm Storage Facility Loans

(7 years) = 2.00%

(10 years) = 2.25%

(12 years) = 2.25%

Commodity Loans 1996-Present = 1.375%

Important Dates and Deadlines

September 30 - Deadline to Apply for a Direct Loan.

September 30 - Deadline to enroll ARC / PLC contracts for 2014 and 2015.

October 1 – Asparagus, garlic, mint, hops, meadowfoam, sugarbeet, triticale, grain.

November 9 - Ballot to Vote in County Committee Elections Mailed to Eligible Producers.

November 20 - Deadline to Enroll in MPP for 2015.

November 20 – Apples, apricots, blueberries, caneberries, chestnuts, cherries, cranberries, grapes, hazelnuts, honey, nectarines, peaches, pears, plums, prunes, strawberries, walnuts.

November 30 – All forage and grazing crops, except oats. All grasses and legumes for seed.

December 7 - Ballots Must for the County Committee Election Period must be Returned (or postmarked by this date) to the County Office.

December 14 - Final Day to Count Ballots for County Committee Elections.

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write:
USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence

Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).