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Oregon State FSA Newsletter

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State Committee:
Sam Asai, Chairman
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Microloan Program Expanded to Help Farmers Purchase Farmland and Improve Property

Producers, Including Beginning and Underserved Farmers, Have a New Option to Gain Access to Land

The U.S. Department of Agriculture (USDA) is offering farm ownership microloans, creating a new financing avenue for farmers to buy and improve property. These microloans are especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations.

The microloan program, which celebrates its third anniversary this week, has been hugely successful, providing more than 16,800 low-interest loans, totaling over $373 million to producers across the country. Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment,

Division Chiefs:
Mitzi Lankford, Farm Program Chief
Bob Perry, Farm Loan Chief
Dan LoFaro, Chief Administrative Officer

Next State Committee Meeting: August 17-18, 2016 at the State Office in Tualatin.

To find contact information for your local office go to www.fsa.usda.gov/or

and living expenses since 2013. Seventy percent of loans have gone to new farmers.

Now, microloans will be available to also help with farm land and building purchases, and soil and water conservation improvements. FSA designed the expanded program to simplify the application process, expand eligibility requirements and expedite smaller real estate loans to help farmers strengthen their operations. Microloans provide up to $50,000 to qualified producers, and can be issued to the applicant directly from the USDA Farm Service Agency (FSA).

This microloan announcement is another USDA resource for America's farmers and ranchers to utilize, especially as new and beginning farmers and ranchers look for the assistance they need to get started. To learn more about the FSA microloan program visit www.fsa.usda.gov/microloans, or contact your local FSA office. To find your nearest office location, please visit http://offices.usda.gov.

USDA Establishes New Partnerships to Link Underserved Farmers to FSA Programs

Minority, Women, New and Beginning, Military Veteran and Urban Producers to Receive Training and Information on Agency Services

USDA announced cooperative agreements with 55 partners to educate farmers and other producers that have been underserved by USDA programs historically about Farm Service Agency (FSA) programs that provide financial, disaster or technical support. Nearly $2.5 million will go to nonprofits, associations, universities, and foundations that will provide training and information on agricultural best practices, local networking opportunities, and more.

FSA, which solicited applications last fall, received nearly 100 proposals that requested over $9 million in funding. Cooperative agreements, encompassing more than 28 states, will be between $20,000 and $75,000 each and several involve multi-state or national efforts. A list of awardees can be found at www.fsa.usda.gov/outreach.

FSA also announced today that it is accepting proposals for consideration in the second evaluation period. Applications are due no later than July 11, 2016. Projects not selected during the first evaluation period will be reconsidered during the second period. Additional information on the funding solicitation and the related FSA programs can be found at www.grants.gov using reference number USDA-FSA-CA-2016-001. For nonprofits and public institutions of higher education that are considering participation, a recording of the online informational session held with stakeholders is posted on the web at www.fsa.usda.gov/outreach.

USDA is also helping producers find an entry into farming through urban agriculture opportunities and the increasing consumer demand for locally-produced items. Under this Administration, USDA has invested more than $1 billion in over 40,000 local and regional food businesses and infrastructure projects. USDA is committed to helping farmers, ranchers, and businesses access the growing market for local and regional foods, which was valued at $12 billion in 2014 according to industry estimates. More information on how USDA investments are connecting producers with consumers and expanding rural economic opportunities is available in Chapter IV of USDA Results on Medium.

USDA Improves Access to Capital for Tribal Farmlands with Multiple Owners

New Program Allows More Farm Loans for "Highly Fractionated" Tribal Land

USDA is expanding the availability of farm loans for Indian tribes and members to purchase tribal farmland that has multiple owners. The improved lending opportunities are possible due to new authority granted by the 2014 Farm Bill, which allows USDA to provide revolving loan funds to qualified intermediary lenders that can relend the funds to qualified tribes and individuals.

As a direct result of more than a dozen tribal meetings across the country, USDA is able to implement a solution to a longstanding barrier to financing, which will increase the availability of farm loans to Native Americans who want to start or expand a farming or ranching operation on Indian lands.

Under the 1887 Dawes Act, Indian reservation land was divided and allotted to individual tribal members such that with the passing of each generation, title ownership was divided and parceled among heirs, while the land was not. As a result, land once owned by a single person could today be owned by hundreds or thousands of individuals, resulting in what is known as "highly fractionated Indian land." In many instances, landowners are unknown or cannot be located, which complicates the coordination of ownership or prevents the use of the property altogether. There are more than 245,000 owners of three million fractionated land interests, spanning approximately 150 Indian reservations.

Under the rules published today, USDA will now allow tribes and tribal members to submit a farm loan application to an intermediary lender. To participate, intermediary lenders first must be approved by USDA. The lenders may be private and tribal nonprofit corporations, public agencies, Indian tribes, or lenders subject to federal or state regulation (such as a credit union or other financial institution). FSA will lend to the intermediary, which will relend to the applicant. The intermediary lender also will administer the loan for the applicant.

For more information, visit www.fsa.usda.gov/farmloans or contact the local FSA county office. To find the local FSA office, visit http://offices.usda.gov.

New Loans Available for Portable Farm Storage and Handling Equipment

Portable Equipment Can Help Producers, including Small-Scale and Local Farmers, Get Products to Market Quickly

USDA's Farm Service Agency (FSA) will provide a new financing option to help farmers purchase portable storage and handling equipment. The loans, which now include a smaller microloan option with lower down payments, are designed to help producers, including new, small and mid-sized producers, grow their businesses and markets.

The program also offers a new "microloan" option, which allows applicants seeking less than $50,000 to qualify for a reduced down payment of five percent and no requirement to provide three years of production history. Farms and ranches of all sizes are eligible. The microloan option is expected to be of particular benefit to smaller farms and ranches, and specialty crop producers who may not have access to commercial storage or on-farm storage after harvest. These producers can invest in equipment like conveyers, scales or refrigeration units and trucks that can store commodities before delivering them to markets. Producers do not need to demonstrate the lack of commercial credit availability to apply.

Earlier this year, FSA significantly expanded the list of commodities eligible for Farm Storage Facility Loan. Eligible commodities now include aquaculture; floriculture; fruits (including nuts) and vegetables; corn, grain sorghum, rice, oilseeds, oats, wheat, triticale, spelt, buckwheat, lentils, chickpeas, dry peas sugar, peanuts, barley, rye, hay, honey, hops, maple sap, unprocessed meat and poultry, eggs, milk, cheese, butter, yogurt and renewable biomass. FSFL microloans can also be used to finance wash and pack equipment used post-harvest, before a commodity is placed in cold storage.

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

USDA Expands Safety-Net for Dairy Operations Adding Next-Generation Family Members

Dairy farms participating in the Margin Protection Program (MPP) can now update their production history when an eligible family member joins the operation. The voluntary program, established by the 2014 Farm Bill, protects participating dairy producers when the margin – the difference between the price of milk and feed costs – falls below levels of protection selected by the applicant.

The U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) published a final rule which makes these changes effective on April 13, 2016. Any dairy operation already enrolled in the Margin Protection Program that had an intergenerational transfer occur will have an opportunity to increase the dairy operations production history during the 2017 registration and annual coverage election period. The next election period begins on July 1, 2016, and ends on Sept. 30, 2016. For intergenerational transfers occurring on or after July 1, 2016, notification must be made to the FSA within 60 days of purchasing the additional cows. Each participating dairy operation is authorized one intergenerational transfer at any time of its choosing until 2018.

For $100 a year, dairy producers can receive basic catastrophic protection that covers 90 percent of milk production at a $4 margin coverage level. For additional premiums, operations can protect 25 to 90 percent of production history with margin coverage levels from $4.50 to $8, in 50 cent increments. Annual enrollment in the program is required in order to receive margin protection. The final rule also provides improved risk protection for dairy farmers that pay premiums to buy-up higher levels of coverage by clarifying that 90 percent of production is covered below the $4 level even if a lower percentage was selected above the $4 margin.

Earlier this year, FSA gave producers the opportunity to pay their premium through additional options including via their milk cooperative or handler. This rule facilitates those options and also clarifies that the catastrophic level protection at $4 will always cover 90 percent of the production history, even if a producer selected a less than a 90 percent percentage for the buy-up coverage.

Assuming current participation, had the Margin Protection Program existed from 2009 to 2014, premiums and fees would have totaled $500 million while providing producers with $2.5 billion in financial assistance, nearly $1 billion more than provided by the old Milk Income Loss Contract program during the same period.

For more information, visit FSA online at www.fsa.usda.gov/dairy or stop by a local FSA office and ask about the Margin Protection Program. To find a local FSA office in your area, visit http://offices.usda.gov.

Financial Assistance Available to Help Organic Farmers Create Conservation Buffers

USDA is assisting organic farmers with the cost of establishing up to 20,000 acres of new conservation buffers and other practices on and near farms that produce organic crops.

The financial assistance is available from the USDA Conservation Reserve Program (CRP), a federally funded voluntary program that contracts with agricultural producers so that environmentally sensitive land is not farmed or ranched, but instead used for conservation benefits. CRP participants establish long-term, resource-conserving plant species, such as approved grasses or trees (known as "covers") to control soil erosion, improve water quality and develop wildlife habitat. In return, FSA provides participants with rental payments and cost-share assistance. Contract duration is between 10 and 15 years.

For conservation buffers, funds are available for establishing shrubs and trees, or supporting pollinating species, and can be planted in blocks or strips. Interested organic producers can offer eligible land for enrollment in this initiative at any time.

Other USDA FSA programs that assist organic farmers include:

- The Noninsured Crop Disaster Assistance Program that provides financial assistance for 55 to 100 percent of the average market price for organic crop losses between 50 to 65 percent of expected production due to a natural disaster.

- Marketing assistance loans that provide interim financing to help producers meet cash flow needs without having to sell crops during harvest when market prices are low, and deficiency payments to producers who forgo the loan in return for a payment on the eligible commodity.

- A variety of loans for operating expenses, ownership or guarantees with outside lenders, including streamlined microloans that have a lower amount of paperwork.

- Farm Storage Facility Loans for that provide low-interest financing to build or upgrade storage facilities for organic commodities, including cold storage, grain bins, bulk tanks and drying and handling equipment.

- Services such as mapping farm and field boundaries and reporting organic acreage that can be provided to a farm's organic certifier or crop insurance agent.

Visit www.fsa.usda.gov/organic to learn more about how FSA can help organic farmers. For an interactive tour of CRP success stories, visit www.fsa.usda.gov/CRPis30 or follow #CRPis30 on Twitter. To learn more about FSA programs visit a local FSA office or www.fsa.usda.gov. To find your local FSA office, visit http://offices.usda.gov.

Emergency Forest Restoration Assistance Approved for Baker, Grant, Malheur, Lake, Wallowa, Linn, Benton and Lincoln Counties

USDA Farm Service Agency Offices that cover Baker, Grant, Malheur, Lake, Wallowa, Linn, Benton, and Lincoln Counties are approved to accept applications for the Emergency Forest Restoration Program (EFRP) to address drought/wildfire and winter storm related damages.

EFRP provides payments to eligible owners of nonindustrial private forest (NIPF) land to enable the owners to carry out emergency measures to restore land damaged by a natural disaster.

After applications are received, technical assistance will be provided and will evaluate the damage and develop a plan to restore the NIPF land. The local FSA county committee will determine land eligibility and approve applications.

In order to meet eligibility requirements, NIPF land must have existing tree cover or had tree cover immediately before the natural disaster occurred and be sustainable for growing trees. The land must also be owned by any nonindustrial private individual, group, association, corporation or other private legal entity that has definitive decision-making authority over the land. The natural disaster must have resulted in damage that if untreated would impair or endanger the natural resources on the land and/or materially affect future use of the land.

Please contact the County FSA office that administers your farm records for more information or visit http://disaster.fsa.usda.gov. All County Office addresses and contact information can be found at the following link: www.fsa.usda.gov/or

Lake County Livestock Forage Losses

Producers in Lake County are eligible to apply for 2016 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.

Eligible livestock producers must complete a CCC-853 and the required supporting documentation no later than January 30, 2017 for 2016 losses.

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

Filing a Notice of Loss

The CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. Timely filing a Notice of Loss is required for all crops including grasses. For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP), you must file a CCC-576, Notice of Loss, in the FSA County Office within 15 days of the occurrence of the disaster or when losses become apparent or 15 calendar days after the normal harvest date.

Producers of hand-harvested crops must notify FSA of damage or loss through the administrative County Office within 72 hours of the date of damage or loss first becomes apparent. This notification can be provided by filing a CCC-576, email, fax or phone. Producers who notify the County Office by any method other than by filing the CCC-576 are still required to file a CCC-576, Notice of Loss, within the required 15 calendar days.

If filing for prevented planting, an acreage report and CCC-576 must be filed within 15 calendar days of the final planting date for the crop.

Selected Interest Rates - May 2016

90 Day Treasury Bill = 0.25 %

Farm Operating Loans - Direct = 2.250 %

Farm Ownership Loans - Direct = 3.500 %

Farm Ownership Loans - Direct Downpayment, Beginning Farmer or Rancher = 1.500 %

Emergency Loans = 3.250 %

Farm Storage Facility Loans
(7 years) = 1.625 %
(10 years) = 1.750 %
(12 years) = 1.875 %

Commodity Loans = 1.625 %

Important Dates and Deadlines

June 15: The 2016 County Committee Elections Nomination Period Begins.

July 15: Acreage Reporting Deadline for Spring Alfalfa Seed (planted 4/21-6/10), Onions (planted 2/15-5/15).

August 1: Deadline to Enroll in the ARC/PLC Program.

August 1: Ballots for County Committee Elections must be Postmarked or Received at County FSA Office by this Date.

August 15: Acreage Reporting deadline for Cabbage (planted 6/11 - 8/10).

September 30 - Deadline for Registration and Annual Election in the Margin Protection Program (MPP) for 2017 Dairy Producers.