December 2016



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Oregon State FSA Newsletter

Oregon Farm Service Agency

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www.fsa.usda.gov/or

State Executive Director: Phil Ward

Program Chiefs:

Bob Perry, Farm Loan Chief Rick Blackwood, Farm Program Chief

A Holiday Message from the State Executive Director

A Christmas to Remember

The fall of 1964 had been wet, much like this one, with a good snowpack developing in the Cascades, stretching down into the foothills. Our farm bordered the Willamette River and its waters ran thick and brown, reaching a finger over its banks and into the lower orchard. This was customary many winters, but things changed dramatically a few days before Christmas.

It started with what Granny called a Chinook Wind—a warm airflow coming off the ocean that worked its way over the coast range, through the Willamette Valley and up into the Cascades. That wind, combined with a warm rain began to dissolve the low elevation snow, sending it rushing into the Willamette system. The river began to rise precipitously, pushing hard over its banks and cutting Dan LoFaro, Chief Administrative Officer

State Committee:

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

Next State Committee Meeting (tentative):

February 22-23, 2017

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

Selected Interest Rates for December

90 Day Treasury Bill = 0.375 %

Farm Operating Loans -Direct = 2.125 %

Farm Ownership Loans -Direct = 3.250 %

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

Emergency Loans = 3.125 %

Farm Storage Facility Loans (7 years) = 1.750 % (10 years) = 2.000 % (12 years) = 2.000 %

Commodity Loans = 1.750 %

across the fields behind the house and barns. It was starting to look like a wet Christmas was on its way.

Living in a floodplain of the Willamette River, my family was used to floods. Heck, they were an every few years occurrence, cutting off the county road and restricting access to both town and the lower place. The house and barns were generally safe however—even in what looked like a flat floodplain those farmers found enough elevation to build on to keep their structures dry most years. In bad years they stood out as small islands in a large lake.

The Tuesday before Christmas it became apparent the situation was getting serious. We spent that morning moving equipment up to high ground, getting livestock into the barns, and generally tying down anything that could float. Us kids spent most of the day packing firewood up to the house and splashing around in our rubber boots.

By mid-day it was clear that this was no ordinary flood, the water was rising too fast and the projections we were getting over the radio were for a crest well above normal flood stage. By mid afternoon we could no longer get to the barns and the house was surrounded on all sides.

By dark the water was in the barns, the shop and woodshed were awash and the porches at the house were just barely dry. For the first time, it looked like the house itself might see water inside. Just weeks earlier my grandparents had installed new carpet, and as the water began to crawl up onto the front porch Granddad began pulling it up to keep it from being ruined. Granny walked to the picture window where the Christmas tree stood, and picked it up, stand, ornaments, and all. With a look of disgust she threw it out the front door and into the flood. It was gone in an instant.

Morning broke clear and relatively sunny—the rain had stopped but the damage was done. There was three inches of water in the house and several feet in most of the outbuildings. In the barn the livestock were all standing in water. We lost a couple of cows and a pony named Jimmy to pneumonia over the next few weeks.

Ironically, the electricity and phone continued to work and Granny and Granddad just put on their rubber boots and stayed home. They had to move around the house carefully to ensure they didn't splash water up into the wall outlets. Periodically a neighbor would show up by boat to use the phone.

The cleanup took months; the economic recovery took a bit longer. There wasn't much for government help in those days, so belts were tightened a notch or two and the family figured it out. It was just one of those situations that so many farmers and ranchers have experienced, where mother nature's less benevolent side won the day.

One of the reasons FSA exists is to help moderate the effects of natural disasters and falling commodity prices on the agricultural

Important Dates and Deadlines

December 13 - Deadline for County Committee Elections Voted Ballots to be Returned to the County Office or Postmarked.

December 15 - Acreage Reporting deadline for: fall alfalfa seed, fall canola, perennial forage, fall mint, onions (planted 8/15-9/15), fall-seeded small grains.

December 16 - Deadline for Registration and Annual Election in the Margin Protection Program (MPP) for 2017 Dairy Producers.

January 30, 2017 - Deadline for Baker, Grant, Harney, Lake, Malheur, Morrow, Umatilla, Union and Wallowa County Producers to File a Livestock Forage Program (LFP) Application

August 1, 2017 - Enrollment ends for the 2017 ARC PLC Program. community. When you don't control the weather, when international forces affect the market in a manner impossible to anticipate, there is room for a bit of a safety net for those who earn their living from the land.

No government program is perfect, but I'm proud of the programs FSA administers to help producers deal with drought, flood, fire, and tough markets. Since passage of the 2014 Farm Bill, Oregon FSA has put literally hundreds of millions of dollars into the hands of producers in response to tough times. It's the right thing to do.

So on behalf of all of us at Oregon FSA, may this be the happiest of holiday seasons for you and yours, and may floodwaters never take your Christmas Tree!

Farmers to Receive Documentation of USDA Services

Farm Service Agency (FSA) reminds agricultural producers that FSA provides a receipt to customers who request or receive assistance or information on FSA programs.

The 2014 Farm Bill requires a customer receipt to be issued for any agricultural program assistance requested from FSA, the National Resources Conservation Service (NRCS) and Rural Development (RD). Receipts include the date, summary of the visit and any agricultural information, program and/or loan assistance provided to an individual or entity. Electronic receipts for acreage reports will begin on August 1, 2016.

A service is any information, program or loan assistance provided whether through a visit, email, fax or letter.

Farm Service Agency Extends Voting Deadline for County Committee Elections

Producers Now Have Until Dec. 13 to Submit Ballots

The deadline to submit ballots for the USDA Farm Service Agency (FSA) 2016 County Committee Elections has been extended to ensure farmers and ranchers have sufficient time to vote. Eligible voters now have until Dec. 13, 2016 to return ballots to their local FSA offices. Producers in local administrative areas up for election this year who have not received their ballot should pick one up at their county FSA office.

FSA has modified the ballot, making it easily identifiable and less likely to be overlooked. Ballots returned by mail must be postmarked no later than Dec. 13, 2016. Newly elected committee members will take office Jan. 1, 2017

Nearly 7,700 FSA County Committee members serve FSA offices nationwide. Each committee has three to 11 elected members who serve three-year terms of office. One-third of County Committee seats are up for election each year. County Committee members apply their knowledge and judgment to help FSA make important decisions on its commodity support, conservation, indemnity, disaster and emergency programs.

Producers must participate or cooperate in an FSA program to be eligible to vote in the County Committee election. Approximately 1.5 million producers are currently eligible to vote. Farmers and ranchers who supervise and conduct the farming operations of an entire farm, but are not of legal voting age, also may be eligible to vote.

For more information, visit the FSA website at <u>www.fsa.usda.gov/elections</u> or contact your local county FSA office at the following link: <u>www.fsa.usda.gov/or</u>

Upcoming Acreage Reporting Dates

In order to comply with FSA program eligibility requirements, all producers are encouraged to visit their local county FSA office to file an accurate crop certification report by the applicable deadline.

The following acreage reporting dates are applicable for Oregon:

Perennial Forage (haying and grazing), Fall Wheat, Fall Alfalfa Seed, Fall Canola, Fall Mint, Fall Onions (Planted 8/15-9/15), Fall-Seeded Small Grains must be reported by **December 15, 2016**.

The following exceptions apply to the above acreage reporting dates:

- If the crop has not been planted by the above acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is completed.
- If a producer acquires additional acreage after the above acreage reporting date, then the acreage must be reported no later than 30 calendars days after purchase or acquiring the lease. Appropriate documentation must be provided to the county office.
- If a perennial forage crop is reported with the intended use of "cover only," "green manure," "left standing," or "seed," then the acreage must be reported by July 15th. Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP covered crops is the earlier of the dates listed above or 15 calendar days before grazing or harvesting of the crop begins. For questions regarding crop certification and crop loss reports, please contact the Name County FSA office at Phone.

Filing CCC-941 Adjusted Gross Income (AGI) Certifications

Many producers have experienced delays in receiving Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments, Loan Deficiency Payments (LDPs) and Market Gains on Marketing Assistance Loans (MALs) because they have not filed form CCC-941, Adjusted Gross Income Certification. LDPs will not be paid until all eligible producers, including landowners who share in the crop, have filed a valid CCC-941.

Producers without a valid CCC-941 certifying their compliance with the average adjusted gross income provisions will not receive payments that have been processed. All farm operator/tenants/owners who have not filed a CCC-941 and have pending payments should IMMEDIATELY file the form with their recording county FSA office. Farm operators and tenants are encouraged to ensure that their landowners have filed the form. FSA has been issuing 2016 LDPs and Market Gains.

FSA can accept the CCC-941 for 2015, 2016 and 2017. Unlike the past, producers must have the CCC-941 certifying their AGI compliance before any payments can be issued.

Farm Reconstitutions

When changes in farm ownership or operation take place, a farm reconstitution is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

To be effective for the current Fiscal Year (FY), farm combinations and farm divisions must be requested by **August 1 of the FY** for farms subject to the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. A reconstitution is considered to be requested when all:

- of the required signatures are on FSA-155
- other applicable documentation, such as proof of ownership, is submitted.

Total Conservation Reserve Program (CRP) and non-ARC/PLC farms may be reconstituted at any time.

The following are the different methods used when doing a farm recon:

Estate Method — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

DCP Cropland Method — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

Default Method — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning Farmers

The USDA Farm Service Agency (FSA) reminds producers that FSA offers targeted farm ownership and farm operating loans to assist underserved applicants as well as beginning farmers and ranchers.

USDA defines underserved 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 farm loan program purposes, targeted underserved groups are women, African Americans, American Indians and Alaskan Natives, Hispanics and Asians and Pacific Islanders.

Underserved or beginning farmers and ranchers who cannot obtain commercial credit from a bank can apply for either FSA direct loans or guaranteed loans. Direct loans are made to applicants by FSA. Guaranteed loans are made by lending institutions who arrange for FSA to guarantee the loan. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. The FSA guarantee allows lenders to make agricultural credit available to producers who do not meet the lender's normal underwriting criteria.

The direct and guaranteed loan program provides for two types of loans: farm ownership loans and farm operating loans. In addition to customary farm operating and ownership loans, FSA now offers Microloans through the direct loan program. The focus of Microloans is on the financing needs of small, beginning farmer, niche and non-traditional farm operations. Microloans are available for both ownership and operating finance needs. To learn more about microloans, visit www.fsa.usda.gov/microloans.

To qualify as a beginning producer, the individual or entity must meet the eligibility requirements outlined for direct or guaranteed loans. Additionally, individuals and all entity members must have operated a farm for less than 10 years. Applicants must materially or substantially participate in the operation.

For more information on FSA's farm loan programs and targeted underserved and beginning farmer guidelines, visit <u>www.fsa.usda.gov/farmloans</u>.

USDA to Provide Agricultural Credit Training, Expand Opportunities for Farmer Veterans and Beginning Farmers

USDA is partnering with the Farmer Veteran Coalition (FVC) to conduct agricultural credit training sessions in the Midwest for military veterans and beginning farmers and ranchers. States under consideration to host the workshops include Iowa, Illinois, Indiana, Michigan, Minnesota, Missouri, and Nebraska.

These workshops will provide individuals interested in farming as a career, including military veterans, with methods to improve business planning and financial skills, and improve understanding of the risk management tools that can help small farm operations.

Other partners include Niman Ranch a community network of more than 700 independent family farmers and ranchers, and the Farm Credit Council and the Farm Credit System, which provides loans, leases and financial services to farmers, ranchers and rural businesses across the United

States. The workshops will also include assistance with credit applications and introductions to local or regional food markets.

To learn more about veterans in agriculture, visit <u>www.usda.gov/veterans</u>. Visit <u>www.fsa.usda.gov/farmloans</u> or your local Farm Service Agency (FSA) office to learn more about FSA's farm loan programs. To find your local FSA office, visit <u>http://offices.usda.gov</u>. More information also is available from the Farmer Veteran Coalition at www.farmvetco.org.

New Program Connects Farmers to More Resources That Benefit Their Operation

The Farm Service Agency (FSA) has launched a new service that combines resources offered by national, state and local agricultural organizations to help farmers and ranchers start, improve or expand their operation.

Bridges to Opportunity is a partnership of USDA and non-USDA agricultural agencies, coming together to help provide the information farmers and ranchers need. The Bridges service is supported through a customized software application that houses information from partner organizations, making the information easily accessible to customers seeking agricultural resources while in FSA county offices.

Partnering with FSA's Bridges to Opportunity provides a central location for USDA and local, state and national agricultural organizations to offer support to farmers and ranchers and help with disaster assistance, grants, technical help, financial advice and educational courses.

Agricultural organizations that partner with FSA are providing access to programs, upcoming events, workshops and other resources with farmers and ranchers that come through the doors of FSA county offices.

To learn more about Bridges to Opportunity and how it can help you, contact your FSA County Office representative by clicking on the following link: <u>www.fsa.usda.gov/or</u>. You may also visit the <u>FSA website</u> for more information.

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Final Planting Dates

All producers are encouraged to contact their local FSA office for more information on the final planting date for specific crops. The final planting dates vary by crop, planting period and county so please contact your local FSA office for a list of county-specific planting deadlines. The timely planting of a crop, by the final planting date, may prevent loss of program benefits.

USDA is an equal opportunity provider, employer and lender. 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).