

**Christian County**

 **FSA December News**

951-3 West Spresser

Taylorville, IL 62568

217-824-2123

217-824-8909 fax

**Hours**

Monday - Friday

8:00 a.m. - 4:30 p.m.

**DECEMBER 2012**

Dustin S.Cruit

**County Executive Director**

**County Committee**

Curt Corzine, Chair

Tim Bollinger, Vice

Bryan Sharp, Member

Karen K. Fesser, Adv

**Program Technician**

Jane Bliler

Peggy Campbell

Heather Eyer

Pam Mitchell

**WELCOME TO THE CHRISTIAN COUNTY FSA NEWSLETTER**

As USDA Farm Service Agency is moving to a paperless, electronic version of County Newsletters, the State Office has developed a State Wide Newsletter that will be posted to this site every month. This is a uniform Newsletter available to all producers in the state. If you would like to have a hard copy of this newsletter for your use, please stop by your local county office to obtain one. If you wish to receive electronic county office news, and have not signed up to do so yet, please contact your local county office and provide them with your email address. We appreciate your patience while we transition into a new, more efficient, cost saving way of providing you with the most up to date information possible. Happy Holidays to you and your families!

Sincerely,

 Dustin S. Cruit, Executive Director

**Hispanic and Women Farmer and Rancher Claims Period Now Open**

Agriculture Secretary Tom Vilsack announced that Hispanic and women farmers and ranchers who allege discrimination by the USDA in past decades can file claims between September 24, 2012 and March 25, 2013.

The process offers a voluntary alternative to litigation for each Hispanic or female farmer and rancher who can prove that USDA denied their applications for loan or loan servicing assistance for discriminatory reasons for certain time periods between 1981 and 2000.

As announced in February 2011, the voluntary claims process will make available at least $1.33 billion for cash awards and tax relief payments, plus up to $160 million in farm debt relief, to eligible Hispanic and women farmers and ranchers. There are no filing fees to participate in the program.

The Department will continue reaching out to potential Hispanic and female claimants, around the country to get the word out to individuals who may be eligible for this program so they have the opportunity to participate.

Call center representatives can be reached at 1-888-508-4429. Claimants must register for a claims package (by calling the number or visiting the website) and the claims package will be mailed to claimants. All those interested in learning more or receiving information about the claims process and claims packages are encouraged to attend meetings in your communities about the claims process and contact the website or claims telephone number.

**Website**: [www.farmerclaims.gov](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTIwOTI0LjEwNzI3NjcxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEyMDkyNC4xMDcyNzY3MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE2OTU1Njc0JmVtYWlsaWQ9Y2Fzc2llLmJhYmxlQHR4LnVzZGEuZ292JnVzZXJpZD1jYXNzaWUuYmFibGVAdHgudXNkYS5nb3YmZmw9JmV4dHJhPU11bHRpdmFyaWF0ZUlkPSYmJg==&&&102&&&http://www.farmerclaims.gov)

**Phone**: 1-888-508-4429

**Claims Period: September 24, 2012 –**

**March 25, 2013.**

Independent legal services companies will administer the claims process and adjudicate the claims. Although there are no filing fees to participate and a lawyer is not required to participate in the claims process, persons seeking legal advice may contact a lawyer or other legal services provider.

To read Secretary Tom Vilsack’s entire news release issued (9/24/12) click on the following link:

 [http://www.usda.gov/wps/portal/usda/usdahome?contentid=2012/09/0309.xml&contentidonly=true](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTIwOTI0LjEwNzI3NjcxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEyMDkyNC4xMDcyNzY3MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE2OTU1Njc0JmVtYWlsaWQ9Y2Fzc2llLmJhYmxlQHR4LnVzZGEuZ292JnVzZXJpZD1jYXNzaWUuYmFibGVAdHgudXNkYS5nb3YmZmw9JmV4dHJhPU11bHRpdmFyaWF0ZUlkPSYmJg==&&&103&&&http://www.usda.gov/wps/portal/usda/usdahome?contentid=2012/09/0309.xml&contentidonly=true)

 UPDATE YOUR RECORDS

FSA is cleaning up our producer record database. If you have any unreported changes of address or zip code or an incorrect name or business name on file they need to be reported to our office. Changes in your farm operation, like the addition of a farm by lease or purchase, need to be reported to our office as well.

If you have any updates or corrections, please contact your local County FSA Office to update your records.

MARKETING ASSISTANCE LOANS

Marketing Assistance Loans, also referred to as Commodity Loans, 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. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if you regain beneficial interest.

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 without prior authorization and providing an incorrect quantity certification.

Maintaining the Quality of Loaned Grain

Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

**UNAUTHORIZED DISPOSITION OF GRAIN** If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the County Office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer’s name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.

LDPs for Unshorn Lamb Pelts Eligible producers have until Jan. 31, 2013, to apply for Loan Deficiency Payments (LDP) for unshorn pelts produced during the 2012 crop year.

Eligible producers must have beneficial interest in the pelts, owned the lamb for at least 30 calendar days before the date of slaughter and sell the unshorn lamb for immediate slaughter. Producers must also comply with wetland conservation and highly erodible land conservation provisions on all lands they operate or have interest in.

To qualify for payment, pelts must have been produced by an eligible producer from live unshorn lambs of domestic origin in the United States.

NAP Coverage Deadlines

Noninsured Crop Disaster applications are due at different times, depending on the crop being insured. March 15, 2013 is the next NAP application closing date, which covers spring and summer planted crops.  Producers should apply for Noninsured Crop Disaster Assistance Program (NAP) coverage using form CCC-471 (Application for Coverage). Related service fees are due when the application is filed.  The application and service fee MUST be filed by the crop sales closing date. Contact your local FSA office for the filing dates for your crops

CHANGING BANKS

Almost all Farm Service Agency payments are made electronically using direct deposit. To keep the system running smoothly, it’s critical to keep your local county FSA office up to date on changes you might make in your financial institutions.

If you have changed accounts or institutions that might affect the direct deposit of your FSA payments, contact your local county FSA office so we can update our files to insure continued uninterrupted service.

**FSA Loans for Targeted Groups**

FSA has programs to assist beginning, minority, and women farmers to finance agricultural enterprises. As these groups are traditionally under-represented in agriculture, FSA has a special pool of funds to assist these operations. Under these designated 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 andsubstantially participate in the operation of the farm
* Except for an operating loan, applicant does not own a farm in excess of 30 percent of the county’s median size.



**2009 and 2010 Average Adjusted Gross Income Compliance Review**

The average AGI verification and compliance reviews for 2009 and 2010 are coming to a close. Compliance reviews were conducted on producers that the IRS indicated may have exceeded the average adjusted gross income limitations described in [7 CFR 1400.500]. Based on these reviews, producers received determinations of eligibility or ineligibility.

If the producer was determined to have exceeded the average AGI limitation of $500,000 of nonfarm income, $750,000 of farm income, or $1 million of nonfarm income, receivables were established for payments earned directly or indirectly by the producer subject to the applicable limitation. These reviews and determinations were made by the Illinois FSA State Office. Anyone with concerns or questions about the review process or their specific determination, should contact the Illinois FSA State Office at 217-241-6600. Producers who received initial debt notification letters may only appeal the amount of the debt and the interest rate assessed to their local FSA office, and not the administratively final adverse determination.

**NEW CROP ACREAGE REPORTING DATES**

Producers are reminded that new acreage reporting dates are in effect for the 2013 crop year.  Filing an accurate and timely acreage report for all crops and land uses, including failed acreage, can prevent the loss of FSA program benefits. Prevented planted acreage must be reported no later than 15 calendar days after the final planting date for the applicable crop.  Failed acreage must be filed before disposition of the crop.

The following acreage reporting dates are for both FSA and Risk Management Agency (RMA) purposes:

* December 15, 2012 – Fall seeded small grains (such as barley, rye, and wheat) and perennial forage.
* January 2, 2013 – Honey
* January 15, 2013 – Perennial fruits, such as, apples, peaches, nectarines, pears, plums, strawberries, grapes, etc.
* July 15, 2013 –Spring cabbage, corn, grain sorghum, green peas, hybrid seed corn, spring oats, popcorn, processing beans, pumpkins, soybeans, sweet corn, and all other crops.

For questions regarding acreage reporting deadlines, please contact your local County FSA Office.

**FARM STORAGE FACILITY LOAN PROGRAM**

The Farm Storage Facility Loan Program (FSFLP) allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The maximum principal amount for each loan through FSFL is $500,000.00. Participants are 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. Additional security is required for poured-cement open-bunker silos, renewable biomass facilities, cold storage facilities, hay barns and for all loans exceeding $50,000.00. 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.

Producers may choose to apply for FSFL requesting their loan proceeds be disbursed as 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](http://www.fsa.usda.gov)

USDA Announces Disaster Assistance Sign-up for 2011 Crop Losses

Supplemental Revenue Assistance Payments (SURE) program enrollment for 2011 crop year losses started Oct. 22, 2012. Under the 2008 Farm Bill, SURE authorizes assistance to farmers and ranchers who suffered crop losses caused by natural disasters occurring through Sept. 30, 2011.

All eligible farmers and ranchers must sign up for 2011 SURE benefits before the June 7, 2013 deadline.

During 2011, all Illinois counties except for Boone, DuPage, Grundy, Kane, Kendall, Lake, McHenry, Marshall, and Putnam counties received a Secretarial Disaster Designation, whether primary or contiguous, and producers are eligible to apply for SURE benefits if they experienced at least a 10 percent production loss that affects one crop of economic significance.  Producers outside a declared disaster county, but with production losses greater than or equal to 50 percent of the normal production on the farm, may also qualify for SURE.

To meet program eligibility requirements, producers must have obtained a policy or plan of insurance through the Federal Crop Insurance Corporation or obtained Noninsured Crop Disaster Assistance Program (NAP) coverage for all economically significant crops. Eligible farmers and ranchers who meet the definition of a socially disadvantaged, limited resource or beginning farmer or rancher do not have to meet this requirement. Forage crops intended for grazing are not eligible for SURE benefits.

For more information on SURE program eligibility requirements contact your local FSA office or visit the website at <http://www.fsa.usda.gov/sure>.

 **Changes to IRS Forms 1099-G and 1099-MISC for Calendar Year 2012**

In past years, IRS Form 1099-G was issued to show all program payments received from the Farm Service Agency, regardless of the amount. For calendar year 2012, the 1099-G reporting will change.

IRS Form 1099-G (Report of Payments to Producers) will only be issued to producers whose reportable payments total $600 or more for the calendar year.  Additionally, if the producer has at least $600 in reportable payments received from multiple FSA offices, only one Form 1099-G will be issued. Producers subject to voluntary withholding or backup (involuntary) withholding will receive the appropriate IRS form, even if combined payments are less than $600.

The same changes will apply to producers and vendors who normally receive IRS Form 1099-MISC from FSA.

Any producer who receives less than $600 in combined payments should consult a tax advisor to determine if these payments must be reported on their tax return.

For more information regarding IRS reporting changes, please contact your local County FSA office.

**Increased Guaranteed Loan Limit**The Farm Service Agency has announced that the loan limit for the Guaranteed Loan Program increased to $1,302,000 on October 1, 2012. The limit is adjusted annually based on data compiled by the National Agricultural Statistics Service.

The lending limit increases every year according to an inflation index. The maximum combined guaranteed and direct farm loan indebtedness was increased to $1,602,000.

As a reminder, the one-time loan origination fee charged on FSA guaranteed Farm Ownership and Operating loans is 1.5 percent of the guaranteed portion of the loan.

Producers should contact their local FSA County Offices with questions about farm loans.

**Beginning Farmer Loans**

FSA has a program to assist 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
* Except for operating loan assistance, does not own farm acreage in excess of 30 percent of the county’s median size

Each member of an entity must meet the eligibility requirements. Loan approval is also dependent on acceptable feasibility and security determinations.

Additional program information, loan applications, and other materials are available at the local USDA Service Center or visit [www.fsa.usda.gov](http://www.fsa.usda.gov/).

## FSA Conservation Loans Available

FSA Guaranteed Conservation Loan funds are now available. Conservation loans allow farmers and ranchers to implement conservation practices on their land that will help protect natural resources.

Guaranteed Conservation Loans are a useful alternative to help operators implement any Natural Resources Conservation Service (NRCS) approved conservation practice including, but not limited to, waste management systems, conservation structures or water conservation measures.

Unlike other FSA guaranteed loan programs, Conservation Loans are not limited to family size farms.

The Guaranteed Conservation Loan limit is $1,302,000 and interest rates and terms will vary. The maximum guarantee FSA can issue is 75 percent.

A streamlined application process is available for applicants with a strong financial position.

Interested applicants who do not already have a conservation plan approved by NRCS should work with their local NRCS staff to develop a conservation plan. As with other guarantees, lenders can reduce risk, increase liquidity and offer lower rates by selling the guaranteed portion in the secondary market.

For questions regarding Guaranteed Conservation Loans, please contact your lender or your local FSA Office.

FSA SIGNATURE POLICY

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits. The following are FSA signature guidelines:

• Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office

• Spouses shall not sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities.

For additional clarification on proper signatures contact your local FSA office.

**YOUR GUIDE TO FSA FARM LOANS**

The Farm Service Agency (FSA) is committed to providing clear and concise explanation of its farm loan process, and is pleased to announce the online publication titled **“Your Guide to FSA Farm Loans.”**

The guide is designed to serve as an informational tool and resource to help you in providing outreach and technical assistance to farmers and ranchers. The guide, written in “plain language”, provides information about FSA’s loans and loan servicing options. A list of additional resources is also included in the guide.

The guide is available online at [www.fsa.usda.gov/dafl](http://www.fsa.usda.gov/dafl). FSA encourages you to download and share it with the farmers and ranchers in your community who may require assistance in understanding FSA’s loan process.

Through effective tools and partnerships, together we can improve outreach efforts to successfully deliver program and services information to FSA’s customers.

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| December 2012 |
| 90-Day Treasury Bill | .125% |
| Farm Operating Loans — Direct | 1.125% |
| Farm Ownership Loans — Direct | 3.125% |
| Farm Ownership Loans — Direct DownPayment, Beginning Farmer or Rancher | 1.50% |
| Emergency Loans | 2.125% |
| Farm Storage Facility (7 year) | 1.125% |
| Farm Storage Facility (10 year) | 1.750% |
| Farm Storage Facility (12 year) | 1.875% |
| Commodity Loans | 1.125% |

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| **Dates to Remember** |
| January 31, 2013 | Last day to apply for LDP for unshorn lamb pelts |
|   March 12, 2013 | Last day to file Emergency Loan applications for production and physical losses |
| March 25, 2013  | Hispanic/Women/Farmer/Rancher claimant period ends |
| June 7, 2013 | SURE sign up ends |
| Continuous sign up | Farm Storage Facility Loans |