Chatham County Farm Service Agency Newsletter

March 2011

FARM LOANS

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 available now. 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. Loan funds can be made available. Producers are encouraged to apply early so that a loan can be processed and funded in a timely manner. Most of our loan programs have special funding available for minority, female and beginning farmers. FSA employees will help you complete the necessary application and other forms, and help you understand what information is required, where to find it or who to contact to get it. To find out more about FSA loan programs, contact Bill Rhodes.

LOANS for the SOCIALLY DISADVANTAGED

The Farm Service Agency 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 Farm Service Agency has provided priority funding for 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 the Farm Service Agency for details. Farm Service Agency loans are only available to applicants who meet all the eligibility requirements and who are unable to obtain the needed credit elsewhere.

ASPARAGUS PROGRAM

USDA announced that a total of $15 million is available to domestic asparagus producers to compensate them for marketing losses resulting from imports during the 2004 through 2007 crop years. “America’s asparagus producers were financially affected by a substantial increase in asparagus imports,” said FSA SED Aaron Martin. “This resulted in lower domestic production and a lower market share for U.S. producers. This program will provide assistance to American asparagus producers whose livelihoods were affected.” The Asparagus Revenue Market Loss Assistance Payment Program (ALAP) is authorized by the 2008 Farm Bill. The sign up period ends on April 8, 2011. ALAP provides a one-time payment to eligible asparagus producers. Maximum per pound payment rates are $1.06 per pound for fresh market asparagus and $1.08 per pound for asparagus marketed for processing. Payments to asparagus producers will be calculated for each asparagus farm operation based on their 2003 marketed production quantities. If the total value of payments claimed at the maximum payment rates exceeds available funding, payments will be factored uniformly by the CCC to limit total payments to the funds available. ALAP Program payments to producers will be capped at $100,000 per producer per marketing category (fresh and processed). Producers who have an average gross income (AGI) in excess of $2,500,000 for calendar years 2003 through 2005 will not be eligible for program benefits. Eligible producers must also have produced and marketed asparagus in commercial quantities in commercial markets in the U.S. during both of the 2003 and 2007 crop years. A producer that did not harvest asparagus in 2007 does not meet that eligibility requirement. For more information on the ALAP Program, contact the FSA county office or go online to http://www.fsa.usda.gov.
DATES TO REMEMBER

- April 15
  Last day to sign up for CRP

- May 16
  Last day to report small grains planted (wheat, oats, rye, barley)

- June 1
  Last day to sign up for DCP

- June 30
  Last day to report all spring planted crops (corn, tobacco, CRP, fruits, vegetables, soybeans, sorghum)

SMILE FOR THE MONTH

I was in a car dealership a while ago, when a large motor home was towed into the garage. The front of the vehicle was in dire need of repair and the whole thing generally looked like an extra in "Twister." I asked the manager what had happened. He told me that the driver had set the "cruise control" and then went in the back to make a sandwich.

EMERGENCY LOANS

Emergency loans are available for producers who suffered losses from drought and excessive heat in 2010. Emergency loans carry a 3.75% interest rate and can be used to replace the income you would have gotten from your farm operation. Funds can be used for operating expenses, debt payments and essential family living expenses. The loan terms are from 1 to 7 years. To be eligible you must show a 30% loss in a single enterprise. The standard eligibility requirements for FSA loans apply: demonstrate that you cannot get the necessary credit from conventional lenders, be credit worthy, be a full time family size farmer and not be delinquent on any Federal debts, among other requirements. The last day to apply is August 1, 2011. Producers may apply for other types of loans at any time. Please call Bill Rhodes for an application or for further information.

CONSERVATION RESERVE PROGRAM SIGN UP

A general sign-up for the Conservation Reserve Program (CRP) begins on March 14, 2011 and will continue through April 15, 2011. During the sign-up period, farmers and ranchers may offer eligible land for CRP’s competitive general sign-up at their county Farm Service Agency (FSA) office. Eligible land must have cropping history 4 out of the 6 years, 2002-2007. CRP is a voluntary program that assists farmers, ranchers and other agricultural producers to use their environmentally sensitive land for conservation benefits. Producers enrolling in CRP plant long-term resource-conserving covers in exchange for rental payments, cost-share, and technical assistance. Participants voluntarily remove sensitive land from agricultural production by entering into long-term contracts for 10 to 15 years. In exchange, participants receive annual rental payments and a payment of up to 50 percent of the cost of establishing conservation practices. Land currently not enrolled in CRP may be offered in this sign-up provided all eligibility requirements are met. Additionally, current CRP participants with contracts expiring this fall may make new contract offers. Contracts awarded under this sign-up are scheduled to become effective Oct. 1, 2011. FSA will evaluate and rank eligible CRP offers using an Environmental Benefits Index (EBI) for environmental benefits to be gained from enrolling the land in CRP. The EBI consists of five environmental factors (wildlife, water, soil, air and enduring benefits) and cost. Decisions on the EBI cutoff will be made after the sign-up ends and after analyzing the EBI data of all the offers. Those who would have met previous sign-up EBI thresholds are not guaranteed a contract under this sign-up. In addition to the general sign-up, CRP’s continuous sign-up program will be ongoing. Continuous acres represent the most environmentally desirable and sensitive land.