

# 2014 Drought Relief for Farmers and Ranchers

## Mendocino/Lake County Farm Service Agency

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## **County Office Staff**

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### Farm Loan Team

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## **County Committee**

Larry Mailliard, Chair Joy Valadez, Vice Chair Ed Mitchell Richard LaMalfa Stephanie Williamson

#### Website

www.fsa.usda.gov/ca

# **Emergency Conservation Program (ECP)**

ECP is a cost-share assistance program for eligible producers during periods of severe drought to supply emergency water for livestock, including confined livestock and poultry.

#### The following permanent practices will receive 75% cost-share assistance:

- Buried pipelines;
- ♦ Construction and deepening of wells;
- ♦ Troughs when mounted on concrete or similar foundation;
- ♦ Solar panels;
- ♦ Submersible pumps.

## The following temporary practices will receive 50% cost-share assistance:

- ♦ Above-ground pipe;
- Spring developments;
- Earthen tanks where a source of underground water is available;
- Dugouts and development of seeps;
- Portable water troughs, stock tanks or tubs.

## Components NOT authorized for cost-share assistance:

- Constructing pipelines to supply water for vegetable or other short-term crops;
- Establishing permanent or temporary vegetative cover;
- Livestock water facilities to make it possible to graze crop residues, field borders, temporary or supplemental pasture crops;
- Water facilities primarily for headquarters;
- Livestock water facilities to provide water on land on which the cover will be used for:
  - \* \*Hay, silage, and/or field chopped and hauled to headquarters for feeding
- ♦ Dry wells;
- ♦ Above-ground pumps or motors.

Sign-up for ECP began on February 11,2014 and will end March 27, 2014. Please contact the Mendocino/Lake County Farm Service Agency office if you are interested in participating in Emergency Conservation Program and to schedule an onsite inspection.

## **Microloans**

Microloans can be used for all approved operating expenses as authorized by the FSA Operating Loan Program, including but not limited to:

- Initial start-up expenses;
- · Annual operating expenses
- Purchase of livestock, equipment, and other materials essential to farm operations;
- Minor farm improvements such as wells and coolers;
- Hoop houses to extend the growing season;
- Irrigation;

#### **Security Requirements**

For annual operating purposes, microloans must be secured by a first lien on a farm property or agricultural products having a security value of at least 100 percent of the microloan amount, and up to 150 percent, when available. Microloans made for purposes other than annual operating expenses must be secured by a first lien on a farm property (*chattel*) or agricultural products purchased with loan funds and having a security value of at least 100 percent of the microloan amount.

Eligible applicants may obtain a microloan for up to \$35,000. The repayment term may vary and will not exceed seven years. Annual operating loans are repaid within 12 months or when the agricultural commodities produced are sold.

## **Emergency Loans**

These loans are available only as direct loans from FSA. Emergency Loans assist farmers who have suffered physical or production losses in areas declared by the President as disaster areas or designated by the Secretary of Agriculture as disaster or quarantine areas (for physical losses only, the FSA Administrator may authorize Emergency Loan assistance). For production loss loans, applicants must demonstrate a 30 percent loss in a single farming enterprise. Applicants may receive loans up to 100 percent of the actual production or physical losses. The maximum indebtedness under the Emergency Loan program is \$500,000.

## Noninsured Crop Disaster Assistance Program (NAP)

USDA's Farm Service Agency's (FSA) Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of noninsurable crops when low yields, loss of inventory or prevented planting occur due to a natural disaster.

Eligible producers must apply for coverage of noninsurable crops and pay the applicable service fees by the application closing date for the crop. Eligible crops include grazing lands, forage crops, annual crops, fruit and nut crops not covered by commercial crop insurance, honey and strawberries.

The service fee is the lesser of \$250 per crop or \$750 per producer per administrative county, not to exceed a total of \$18,75 for a producer with farming interests in multiple counties. Limited resource producers may request a waiver of the service fee. To qualify the producer must meet the qualifications. Go to <a href="www.lrtool.sc.egov.usda.gov">www.lrtool.sc.egov.usda.gov</a> for qualifications.

# Direct Operating (OL) \$300,000

- Rate based on Agency borrowing cost
- Term from 1 to 7 years
- Purchase livestock, poultry, equipment, feed, seed, farm chemicals and supplies
- Soil and water conservation
- Refinance debts with certain limitations

# Direct Farm Ownership (FO) \$300,000

- · Rate based on Agency borrowing costs
- Term up to 40 years
- Purchase farm
- Construct buildings or other capital improvements
- Soil and water conservation
- Pay closing costs

## **Guaranteed Loans**

## Operating \$1,355,000.00

- Rate determined by the lender
- Term from 1 to 7 years
- Loan guarantee fee is 1.5%

## Farm Ownership \$1,355,000.00

- Rate determined by the lender
- Term up to 40 years
- Loan guarantee fee is 1.5%

## <u>2014 NAP Closing Dates</u> <u>2015 NAP Closing Dates</u>

March 1, 2014 - Annual Crops Dec 1. 2014 - G

**Dec 1. 2014** - Grazing, Forage crops, Honey

**Dec 15, 2014** - Strawberries, Olives, Cane Berries