Lesson Plan



Introducing The Farm Service Agency



SART Training Media





Introducing The Farm Service Agency

Lesson Plan

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ABOUT FLORIDA SART

SART, the Florida State Agricultural Response Team, is a multi-agency coordination group consisting of governmental and private entities dedicated to all-hazard disaster preparedness, planning, response and recovery for the animal and agriculture sectors in Florida.

SART Mission

Empower Floridians with training and resources to enhance animal and agricultural disaster response.

SART Goals

- Promote the establishment of a coordinator in each county responsible for all agriculturally related incidents
- Provide assistance in the development and writing of county ESF-17 plans
- Promote the establishment of a county SART for each county
- Provide annual training for all SART and agriculturally-related personnel
- Identify county resources available for an emergency or disaster
- Promote county cooperation at a regional level for mutual aid

SUBJECT: Introduce participants to the United States Department of

Agriculture's Farm Service Agency (FSA) and the programs it oversees

domestically and abroad.

GOAL: To empower team members with a basic understanding of the USDA's

Farm Service Agency so that they will better recognize those who may

benefit from FSA programs.

INTRODUCTION

This lesson plan and workbook are designed to be a part of the SART Training Module for *Introducing the Farm Service Agency*. This lesson plan gives the instructor direction for the educational portion of the workshop. The mechanics of planning, organizing and publicizing the entire training event are covered in the companion piece, *Toolkit for Planning a Community-Based SART Training Event*. For information on obtaining this publication, please refer to the resource section at the end of this publication.

This lesson plan can be used with agricultural and non-agricultural audiences. At the end of this training module, participants will be able to name the vision, mission and goals of the Farm Service Agency; list and describe its characteristics and organizational structure; discuss the various types of programs administered solely, or jointly, by the agency and identify key resources available for more information.

A PowerPoint Presentation has been created to accompany this lesson. Throughout the lesson, boxed references are placed in the left margin to indicate that PowerPoint slides are available to help illustrate the points being made in that section.

Approximately one hour should be allocated for this program.

SESSION OUTLINE

PART 1 - BEGINNING THE WORKSHOP	(5 minutes)
PART 2 – WHAT IS THE FARM SERVICE AGENCY?	(10 minutes)
PART 3 - FARM SERVICE AGENCY PROGRAMS	(15 minutes)
PART 4 - USDA-FSA DISASTER PROGRAMS	(15 minutes)
PART 5 - HIGHLIGHT AND KEY RESOURCES	(5 minutes)
PART 6 – SUMMARY & WRAP-UP	(10 minutes)

SPECIFIC LEARNING OBJECTIVES

At the end of this training module, participants will be able to:

- 1. List and describe the characteristics and organizational structure of the Farm Service Agency
- 2. Name the vision, mission and goals of the Farm Service Agency
- 3. Discuss the various types of programs administered solely, or jointly, by the Farm Service Agency
- 4. Identify key resources available for more information

LEARNING ENVIRONMENT AND LEARNING AIDS

To complete this lesson plan, you will need:

- PowerPoint Presentation: Introducing the Farm Service Agency.
- Optional a companion publication, Introducing the Farm Service Agency.
- Optional: Participant Workbook is available with the PowerPoint slides and resource information.
- A companion publication (T-1) *Toolkit for Implementing a Community-Based SART Training Event* is available to help you organize, plan and present an entire SART training event with multiple training modules.
- See the Resources section at the end of this publication to find out more about any of these materials.

To conduct this training unit, you will need:

- A means to show the PowerPoint Presentation: a computer with a projector (Note: Master black and white copies of the slides are included at the end of this manual if you prefer to use an overhead projector.)
- Sufficient seating for all participants

Each participant will need:

- A pen or pencil
- Participant workbook or paper for notes

BEFORE THE WORKSHOP

On the day of the workshop, check that equipment needed is in place. Double-check that the electronic media works properly with the equipment you have. Also, make certain that any materials such as paper, workbooks and pens/pencils are available in sufficient numbers for all participants.

PART 1: BEGINNING THE WORKSHOP

Time: 5 minutes

Focus: Explain the purpose of the workshop – Expand participants' understanding of the Farm Service Agency

Once all participants have taken their seats and have settled down, welcome them to the workshop *Introducing the Farm Service Agency*. Thank them for attending and congratulate them on taking the time to learn about this extremely important agency. Remind them that the best way to respond to and recover from an emergency situation is to have a foundation of knowledge about available resources.

During this introduction, you may choose to distribute the Pre-Test included in the Resources section of this manual. The Pre-Test is a good way to determine the knowledge your audience currently possesses about the USDA's Farm Service Agency. Make sure to communicate to the participants that their Pre-Test answers, right or wrong, are only meant to guide them through this learning experience. (Note: By design, the Pre-Test and Post-Test are the same.)

Slides 1-5

This lesson plan can be used with agricultural and non-agricultural audiences. At the end of this training module, participants will be able to name the vision, mission and goals; list and describe the characteristics and organizational structure of the Farm Service Agency; discuss the various types of programs administered solely, or jointly, by the agency and identify key resources available for more information.

Remind attendees that the reason they are attending the workshop (and the training event if applicable) is because they realize the value of being prepared with knowledge and having a working disaster plan in place. This understanding is the basis for developing and implementing an emergency or disaster plan. They will carry the results of the workshop and training event with them everywhere.

This introduction should not exceed five minutes unless the Pre-Test is to be completed, in which case another few minutes may be required. This is a time when the participants are getting comfortable with the workshop they have decided to attend, their surroundings and you as the presenter. Simultaneously, you are becoming comfortable with the participants, the material you are presenting, and with being a presenter.

Pay attention to time as participants will want to learn what you have to present AND will want to depart on time. If you find that you are nervous when you start, understand that this is a natural response to public speaking. These "nerves" can make people ramble, talk faster or talk slower than normal, or even forget the time altogether. Nevertheless, even if participants enjoy what you are presenting, they will appreciate your discipline when the workshop ends on time.

PART 2: WHAT IS THE FARM SERVICE AGENCY?

Time: 10 minutes

Focus: Describe the characteristics and the organization of the Farm Service Agency and name its mission, vision and goals

Slide 6 The Farm Service Agency (FSA) is a federal agency that operates under the auspices of the United States Department of Agriculture (USDA). While the headquarters for FSA are located in Washington, DC, most of the agency's staff is dispersed in offices throughout the United States and American trust territories.

The FSA employs 15,000 people in more than 2,400 local USDA Service Centers throughout the United States and Puerto Rico. This allows a "grass roots" approach to service by letting staff work one-on-one with producers seeking FSA services.

The Mission

Slide 7 The Farm Service Agency mission is to ensure the well-being of American agriculture, the environment and the American public through:

- efficient and equitable administration of farm commodity programs
- farm ownership
- operating and emergency loans
- conservation and environmental programs

- emergency and disaster assistance
- domestic and international food assistance
- international export credit programs

Visit any state or county office and one finds program technicians, loan officers, administrative professionals and many others who are dedicated to helping farmers and ranchers.

Slides 8-9

One of the Farm Service Agency's unique features is its County Committee system. Farmers and ranchers eligible for FSA programs nominate and elect three to five peer representatives to serve on local County Committees. Besides elected members, there are also provisions for appointing a minority advisor who can reflect the concerns and views of socially disadvantaged producers.

County Committees give local producers a voice in how FSA programs operate in their communities. The committees administer programs, provide policy guidance and determine who meets the eligibility requirements for program benefits.

The Vision

Slide 10 The Farm Service Agency's vision is to be a customer-driven agency with a diverse and multi-talented work force, dedicated to achieving an economically and environmentally sound future for American agriculture.

FSA's Four Goals

The Farm Service Agency has four goals related to each of the areas for which it provides services.

 The farm program goal is to provide an economic safety net through farm income support to eligible producers, cooperatives and associations. The purpose is to help improve the economic stability and viability of the agricultural sector and to ensure the production of an adequate and reasonably priced supply of food and fiber.

Slides 11-14

- Regarding conservation and the environment, FSA assists agricultural producers and landowners in achieving a high level of stewardship of soil, water, air and wildlife resources while protecting the human and natural environment.
- FSA assists eligible individuals and families in becoming successful farmers and ranchers through farm loans.
- The final FSA goal regards commodity operations. FSA works to improve the effectiveness and efficiency of their commodity

acquisition, procurement, storage and distribution activities to support domestic and international food assistance programs and administer the United States Warehouse Act (USWA).

Furthering FSA's Goals

To accomplish its goals, FSA has adopted several management initiatives:

Providing fair and equal treatment in employment and the delivery of programs.

Slides 15-16

- Enhancing the ability of small, limited resource and socially disadvantaged family farmers and ranchers to operate successfully.
- Maintaining a high level of customer satisfaction with delivery of program operations.
- Developing effective administrative management policies and procedures, and information technology processes for Farm and Foreign Agricultural Services (FFAS), taking into consideration the unique operating requirements of each agency.
- Achieving greater cost and operating efficiencies in the delivery of FFAS programs by implementing integrated administrative management systems and reinventing/reengineering FFAS business processes and systems.
- Ensuring producer compliance with program provisions.

PART 3: FARM SERVICE AGENCY PROGRAMS

TIME: 15 minutes

FOCUS: Discuss the goal-oriented programs administered by the Farm Service Agency

Slide 17 FSA administers a variety of farm programs that help American producers weather volatile market conditions and natural disasters, as well as practice conservation measures that benefit the environment. This lesson plan overviews the direct and counter-cyclical payment program, marketing assistance loans, loan deficiency payments, conservation reserve and reserve enhancement programs, farm loans, disaster assistance and other commodity operations.

FSA Program by Commodity

Grains, Oilseeds and Cotton
Direct and Counter-Cyclical Payments

Hard White Wheat Incentive Payments
Extra Long Staple Cotton Competitiveness
Peanut Quota Holder Compensations
Marketing Assistance Loan and Loan Deficiency Payments
Payments in Lieu of Loan Deficiency Payments for Grazed Acreage
High Moisture Corn and Sorghum Recourse Loans
Seed Cotton Recourse Loans

Slides 18-19

Dairy
Dairy Price Supports
Milk Income Loss Contracts
Dairy Indemnity Payments

Sugar Sugar Allotments Sugar Loans

Tobacco
Burley, flue-cured and other tobaccos

The Commodity Credit Corporation

Slides 20-21 Many FSA programs are funded through the Commodity Credit Corporation (CCC), a unique government-owned and operated corporation. The CCC (not the Civilian Conservation Corps!) was first incorporated on October 17, 1933 under a Delaware charter with a capitalization of \$3 million. On July 1, 1939 it was transferred to the USDA.

Reincorporated July 1, 1948 as a federal corporation within the USDA by the Commodity Credit Corporation Charter Act (62 Stat. 1070; 15 U.S.C. 714), it is managed by a Board of Directors. The Secretary of Agriculture chairs the seven-member board as an ex-officio member.

The CCC has authorized capital stock of \$100-million dollars held by the United States. Borrowings at any one time can be up to \$30-billion dollars according to the 1988 Appropriations Act.

Commodity Operations

FSA's Commodity Operations Division ensures a uniform regulatory system for storage of agricultural products, the timely provision of high-quality food products to domestic and international food assistance and development programs, and the achievement of domestic farm program objectives. FSA acquires and disposes of commodities

pledged as collateral for marketing assistance loans, such as wheat, corn, soybeans, oilseeds and other commodities.

Food Assistance

Slides 22-24 FSA donates commodities to federal, state and private agencies for food programs that help nourish the less fortunate throughout the United States. This food is used for the National School Lunch Program, Commodity Supplemental Food Program, the Emergency Food Assistance Program and other programs that provide food for summer camps for kids, needy persons and others. Specific examples of program donations include dairy products to the armed services and veteran's hospitals, food products on a concessionary basis to federal penal and correctional institutions and state correctional institutions for minors and use of grain at the discretion of the Secretary of Interior for migratory waterfowl or other resident wildlife.

Working with USDA's Foreign Agricultural Service (FAS) and Food and Nutrition Service (FNS), as well as other institutions, FSA makes it possible to share America's bounty of nutritious food with those in need around the world. FSA purchases and delivers agricultural commodities to people in Mongolia, Iraq and many other foreign countries under federal food aid programs. Volunteer agencies like the World Food Program and the Agency for International Development assist with the distribution of the food products.

Four foreign export programs administered by the Foreign Agricultural Service for the CCC include the Export Credit Guarantee Program (GSM 102), Intermediate Export Credit Guarantee Program (GSM 103), Supplier Credit Guarantee Program (SCGP) and Facility Guarantee Program (FGP). GSM 102 and GSM 103 make it possible for foreign buyers to purchase our agricultural commodities from private United States exporters.

Slides 25-26 The CCC guarantees repayment to United States banks mainly for countries where credit is necessary to increase or maintain United States exports. In the SCGP, the CCC guarantees a significant percentage of payments due when exporters extend short-term financing directly to importers for their purchase of United States' agricultural products. Credit terms are up to 180 days. For FGP, CCC extends credit guarantees to United States banks for financing export sales of United States' capital goods and services to improve agriculture-related facilities in emerging markets.

FSA's Commodity Operations Division markets and manages CCC inventories such as cotton, grain, oilseeds, nonfat dry milk and rice,

regularly analyzing the location, condition and quantity of these stocks. It also administers the contracting for storage under the Uniform Grain and Rice Storage Agreement, the Cotton Storage Agreement and the processed Commodity Service Agreement and administers the United States Warehouse Act.

Through Commodity Operations, CCC can store purchased food in more than 10,000 commercial warehouses across the nation approved for this specific purpose. However, commodity inventories are not simply kept in storage. FSA employees work to return stored commodities to private trade channels. This is where the Kansas City Commodity Office comes in.

Kansas City Commodity Office

The Kansas City (Missouri) Commodity Office (KCCO) is responsible for the procurement, transportation and disposition of food commodities to fulfill USDA program commitments. At the KCCO, FSA merchandisers regularly sell and swap CCC inventories using commercial telecommunications trading networks. They make sales at fixed prices or competitive bids. Commodity Operations employs more than 300 people, with around 50 in the Washington, D.C. headquarters and approximately 55 additional field warehouse examiners employed across the nation.

Slides 27-28

FSA conducts other programs as well: Bio-Energy, On-Farm Storage Facility and Sugar Storage Facility Loans, Agriculture Foreign Investment Disclosure, Commodity Warehouse Oversight and Market Access. The Trade Adjustment for Farmers program is jointly administered with the Foreign Agricultural Service. Export Enhancement and Dairy Export Incentive programs are also available.

The Direct and Counter-Cyclical Payment Program

Slides 29-31 The Farm Security and Rural Investment Act of 2002 replaced production flexibility payments, created under the 1996 Act, with direct payments and added counter-cyclical payments for the 2002-2007 crops.

- Both payments are based on historical acreage bases and payment yields, not current production.
- Direct payments are issued regardless of market prices.
- Payment rates are set in the 2002 Act. For each commodity, the direct payment equals the direct payment rate multiplied by 85 percent of the farm's base acreage multiplied by the farm's direct payment yield:

Direct Payment = Direct Payment Rate x 0.85 Base Acreage x Direct Payment Yield

Counter-cyclical payments are made when a commodity's effective price is below the target price. The effective price is the direct payment rate plus the higher of the national average market price received by producers during the marketing year or the national loan rate for the commodity. Target prices are set in the 2002 Act.

Producers of wheat, corn, barley, grain sorghum, oats, upland cotton, rice, soybeans, other oilseeds and peanuts are eligible for direct and counter-cyclical payments. Producers may apply on-line for the program and to set up payments.

Marketing Assistance Loans

Marketing assistance loans (MAL) and loan deficiency payments are also available to farmers and ranchers.

Slide 32 Non-recourse marketing assistance loans help an eligible producer pay bills when they come due without having to sell the harvest crop at a time of year when the prices tend to be the lowest. When market conditions may be more favorable, a producer may sell the crop and repay the loan with the proceeds of the sale.

Non-recourse MALs give producers the option of delivering to the Commodity Credit Corporation (CCC) the quantity of a commodity pledged as collateral for a loan as full payment for that loan at loan maturity.

Loan Deficiency Payments

Slides

In lieu of securing a non-recourse marketing assistance loan from the CCC, a producer may be eligible for a loan deficiency payment (LDP). This payment equals the amount by which the applicable loan rate where the commodity is stored exceeds the alternative loan repayment rate for the respective commodity. The LDP equals the LDP rate multiplied by the quantity of commodity for which the LDP is requested:

Loan Deficiency Payment = LDP Rate x Quantity of Commodity

Market loan and loan deficiency repayment provisions are intended to prevent delivery of loan collateral to the Commodity Credit Corporation. On behalf of the CCC, the Farm Service Agency administers non-recourse marketing assistance loans and loan deficiency payments for wheat, corn, grain sorghum, barley, oats, soybeans, rice, honey and other oilseeds like sunflowers, canola, safflower, flaxseed, rapeseed,

mustard seed, crambe and sesame. The LDP program, like the MAL program described above, is available on-line.

Conservation Reserve Program

Slides 35-37 FSA works to improve the environment through its Conservation Reserve Program (CRP), the nation's largest private lands conservation program. The program protects fragile farmland by encouraging farmers to stop growing crops on highly erodable and environmentally sensitive lands. Through CRP, producers receive payments for voluntarily keeping their land idle for 10- and 15-year periods.

Producers submit bids for CRP contracts and these are ranked according to an Environmental Benefits Index. Bids are then accepted according to their ranking. Farmers plant selected lands in grass or trees, and receive annual rental payments for the term of a multi-year contract. Up to 39.2-million acres may be enrolled in the CRP at any one time, nationwide.

Lands can also be enrolled in a continuous sign-up which is not subject to a bidding process. Offers are automatically accepted. The sign-up provides management flexibility to producers to implement certain high priority conservation practices on eligible land such as riparian buffers, filter strips and shelterbelts. Continuous sign-up is included in the 39.2-million acre cap for the Conservation Reserve Program.

Conservation Reserve Enhancement Program

Slides 38-39 The Conservation Reserve Enhancement Program (CREP) combines the CRP with the efforts of states and other entities to encourage producers to install specific conservation practices that meet environmental objectives.

Other conservation programs include the Emergency Conservation Program and, when funded, the Tree Assistance Program. The Environmental Quality Incentives, Grassland Reserve and Wetlands Reserve Programs are administered cooperatively with the Natural Resources Conservation Service (NRCS).

PART 4: USDA-FSA DISASTER PROGRAMS

TIME: 15 minutes

FOCUS: Discuss the various types of disaster-assistance programs administered by the Farm Service Agency

Slide 40 The Farm Service Agency provides various types of disaster assistance to help producers recover losses resulting from disasters like drought, tornadoes, flood, freeze and other events. Programs like the Emergency Conservation Program (ECP), Noninsured Crop Disaster Assistance Program (NAP) and Emergency Loan assistance are available. Other programs, when funded, are the Crop Disaster and Livestock Assistance programs.

Emergency Conservation Program

Slide 41 The Emergency Conservation Program (ECP) provides emergency funding for producers to rehabilitate farmland damaged by natural disasters and for carrying out emergency water conservation measures during periods of severe drought.

Non-Insured Crop Disaster Assistance Program

The Non-Insured Crop Disaster Assistance Program offers financial assistance to eligible producers affected by natural disasters. This federally funded program covers non-insurable crop losses and planting prevented by disasters.

Emergency Loan Assistance

Slides 42-43 Emergency loan assistance provides low-interest loans to eligible producers to help cover production and physical losses in counties declared disaster areas by the President or designated by the Secretary of Agriculture or the FSA administrator.

In addition to these financial programs, emergency having and grazing of certain Conservation Reserve Program acreage may be made available in areas suffering from weather-related natural disasters.

Emergency loan funds may be used to:

- restore or replace essential property,
- pay all or part of production costs associated with the disaster year,
- pay essential family living expenses and
- reorganize the farming operation and refinance certain debts.

New Programs in Hurricane Zones

Florida farmers have experienced unprecedented production losses as a result of recent hurricanes, and last year was no exception. For this

reason, the USDA continues to help those who lost crops and those in need of help with cleanup.

Slides 44-45 Four new crop and livestock assistance programs have been authorized. They provide targeted assistance to agricultural producers who suffered losses in the 261 counties that were declared a primary presidential or secretarial designation as a result of 2005 Hurricanes Dennis, Katrina, Ophelia, Rita, or Wilma in Alabama, Florida, Louisiana, Mississippi, North Carolina, and Texas.

The four new 2005 hurricane-related USDA disaster assistance programs are:

- Livestock Indemnity
- Feed Indemnity
- Hurricane Indemnity
- Tree Indemnity

These four programs are funded through Section 32 of the Act of August 24, 1935. The Act allows the Secretary of Agriculture to use funds to help re-establish the purchasing power of farmers, ranchers and agricultural producers. In October 2005, \$250 million from Section 32 funds were authorized for use for crop disaster, livestock, tree, and aquaculture assistance to assist farmers who suffered losses due to 2005 Hurricanes.

Livestock Indemnity Program

Slide 46 The Livestock Indemnity Program (LIP) provides payments to eligible livestock owners and contract growers whose livestock died as a result of the hurricanes. These payments are determined by multiplying the number of eligible livestock by the payment rate of: 1) for livestock owners, 75 percent of the livestock's average fair market value; or 2) for contract growers, 75 percent of the average sustained income loss.

Feed Indemnity Program

The Feed Indemnity Program (FIP) provides payments to eligible livestock owners and cash lessees who suffered feed losses or increased feed costs as a result of the hurricanes. Eligible livestock categories are: beefalo, beef cattle, buffalo, dairy cattle, deer, goats, horses and sheep.

Livestock that are NOT eligible are:

Slides 47-49 Livestock produced and maintained for reasons other than commercial use as part of a farming operation, including but not limited to wild free-roaming animals or animals used for recreational purposes such as for pleasure, hunting, pets or for show and

 Non-adult beefalo, beef cattle and buffalo that weighed less than 500 pounds on the beginning date of the applicable disaster period.

To calculate program payments, FSA will multiply the national payment rate by the number of eligible livestock. A payment rate is established for each livestock category by the cost of corn needed to maintain one animal for a specified period of time.

The per-head payment rate for each type of livestock is:

- Adult beef cattle, buffalo and beefalo (cows and bulls) \$6.80
- Adult dairy cattle (cows and bulls) \$17.69
- Non-adult beef, dairy, buffalo, beefalo (500 lbs or more) \$5.10
- Deer (all) \$1.70
- Goats (all) \$1.70
- Horses (all) \$5.04
- Sheep (all) \$1.70

Hurricane Indemnity Program

The Hurricane Indemnity Program (HIP) provides payments to eligible producers who experienced crop losses and received either -

- A 2005 or 2006 USDA Risk Management Agency Federal Crop Insurance Corporation crop insurance indemnity payment for insured crops; or
- 2. A 2005 or 2006 FSA Non-insured Crop Disaster Assistance Program (NAP) payment.

Slides 50-51 Producers' HIP benefits will equal 30 percent of the crop insurance indemnity or 30 percent of the NAP payment and cannot exceed 95 percent of the value of the expected crop returns had there not been a disaster.

The crop loss for HIP must have been due to:

- excessive moisture, precipitation, and/or rain
- flooding
- excessive wind
- cyclone

- tornado
- hurricane or tropical depression
- storm surge; and /or
- salinity due to salt water intrusion.

Tree Indemnity Program

The Tree Indemnity Program (TIP) provides payments to eligible owners of commercially grown fruit trees, nut trees, bushes and vines that produce an annual crop and were lost or damaged as a result of the 2005 hurricanes.

Slides

52-53

As with each of the four new disaster programs, the loss or damage must have occurred in one of 261 counties designated as primary presidential or secretarial disaster because of the 2005 hurricanes, and it does not include continuous counties (undesignated counties that touch the primary county).

To be considered eligible, applicants must:

- bear financial responsibility for the fruit trees, bushes, and/or vines;
- have suffered a crop loss or damage directly resulting from an eligible hurricane in an eligible county during the eligible time period; and
- have incurred costs of at least \$90 per acre for replanting, rehabilitation, cleanup, or debris removal (excluding crop production).

Payments for TIP will be based on the crop's proximity to the hurricanes using established tiers that reflect the severity of damage from least to most severe.

Timber, nursery inventory and container-grown fruit tree losses are not eligible for TIP assistance.

Aquaculture Grants

USDA is also providing \$25 million in block grants to the state governments of the affected states to assist aquaculture producers who raise aquaculture species in a controlled environment as part of a farming operation. Sign-up procedures and distribution of payments for this assistance will be determined by state governors or their designees.

Slide 54

An eligible aquaculture producer is a person who:

- raises aquaculture species in a controlled environment as part of a farming operation
- has a risk in the production of the aquaculture species
- suffered an aquaculture loss as a direct result of an eligible hurricane in an eligible county during and applicable time period
- has not received aid under other disaster programs for the same aquaculture loss.

More than \$3.6 million in aquaculture grants are available for Florida aquaculture producers. The state's grant amount is based on the number of aquaculture farms and value of their sales in the eligible counties as reported in the 2002 USDA National Agricultural Statistics Service Census.

Additional Disaster Assistance

Slide 55 The 2006 Defense Appropriations Act also provides \$900 million to address the natural disaster damages from 2005 hurricanes. Of these funds, an estimated \$200 million is designated for the Emergency Conservation, \$400 million for the Emergency Forestry Conservation Reserve and \$300 million for the Emergency Watershed Protection.

Florida-Specific 2004 Programs

Slide 56 During Florida's 2004 hurricane season, several programs were made available to Florida's producers affected by hurricanes Charley, Frances and/or Jeanne. These programs were the Florida Citrus, Florida Nursery Crop and the Florida Vegetable, Fruit and Tropical Fruit Disaster Programs.

Florida Citrus Disaster Program

Slide 57 The Florida Citrus Disaster Program provides reimbursement with an acreage-based formula. This formula accounts for the levels of losses generally correlating the distance from the eye(s) of the hurricane(s), average production losses, tree losses and rehabilitation and clean-up costs. To qualify for one of the four tiers of payments, fruit must have been marketed in both the 2003 and 2004 years. Payment tiers are:

Tier 1: 75% or more crop loss and associated tree damage

Tier 2: 50% or greater crop loss and associated tree damage

Tier 3: 35 – 49% crop loss and associated tree damage

Tier 4: 15% or greater tree damage, \$0 for production loss

Florida Vegetable, Fruit and Tropical Fruit Disaster Program

Producers must certify a minimum 50% loss in production of plant population to be eligible. Eligible losses are covered for plasti-culture, tropical fruit and vegetables.

Slides 58-59

- Plasti-culture is any production practice for fruits or vegetables where the soil has been bedded, fumigated, fertilized, irrigated with drip tape or another installed irrigation system and covered with plastic mulch.
- Tropical fruit includes carambola, longan, lychee and mango crops.
 The vegetable category covers all other vegetables produced in a way other than in plasti-culture.

There are five farming practice categories for payments as follows:

Practice 1: Plasti-culture with plants, 50% or more of plastic Practice 2: Plasti-culture without plants with 50% or more of plastic OR plasti-culture with plants with 50% or more loss in plant production with no replants

Practice 3: Double-drop plasti-culture without plants with 50% loss of plastic OR new plasti-culture with 50% loss of plants and replants Practice 4: 50% loss in plant population for conventional row-cropped practices

Practice 5: Tropical fruit with 50% or greater production loss in Lee County or Citrus Bands I and II

Florida Nursery Crop Disaster Program

Slide 60 The Florida Nursery Crop Disaster Program pays producers whose eligible acreage has a minimum of \$250 per acre in expenses to restore the area. For those covered by insurance or the Non-Insured Crop Disaster Assistance Program (NAP), payment is 25% of the actual dollar value of inventory lost and a flat rate of \$250 per eligible acre for clean-up.

FSA's Direct and Guaranteed Loans

Slides 61-63 FSA has direct and guaranteed loan programs to help producers who are temporarily unable to obtain private, commercial credit. Direct loans are made straight from the Farm Service Agency. Guaranteed loans provide conventional agricultural lenders with up to a 95% guarantee of the principle loan amount.

 Funds are set aside for beginning producers and for minority or socially disadvantaged producers.

- Loans for young people, ages 10 through 20, are also available.

 Qualifying youth must have a supervisor overseeing their farm project
- Every loan through the FSA has eligibility requirements that applicants must meet to receive the loan.

Other loan programs include the Emergency (previously mentioned), Direct Farm Ownership, Guaranteed Farm Ownership, Direct Operating, Boll Weevil Eradication and Indian Tribal Land Acquisition Loan Programs.

PART 5: HIGHLIGHT KEY RESOURCES

Time: 5 minutes

Focus: Identify key resources participants can easily access for additional information

Slides 64-65 This publication and other materials for SART training programs are available on the World Wide Web at www.flsart.org, the Web site of the Florida State Agricultural Response Team. Note: As new modules become available, they will be posted on the Web site.

United States Department of Agriculture (USDA) http://www.usda.gov

USDA, Animal and Plant Health Inspection Service, National Center for Import and Export http://www.aphis.usda.gov/vs/ncie

United States Department of Agriculture, Farm Service Agency www.fsa.usda.gov

Agricultural Marketing Service www.ams.usda.gov

Food and Nutrition Service www.fns.usda.gov/fns/

Commodity Credit Corporation (CCC) www.fsa.usda.gov/ccc/default.htm

Foreign Agricultural Service www.fas.usda.gov

Natural Resources Conservation Service www.nrcs.usda.gov

Farm Service Agency Strategic Plan fsa.usda.gov/pas/stratplans/fsastrat.pdf

Kansas City Commodity Office (KCCO) mailing address PO Box 419205, Kansas City, Missouri 64141-6205

For more information on CCC-owned commodities contact: Warehouse and Inventory Division Farm Service Agency, 1400 Independence Avenue, SW Washington, DC 20250-0553

For more information on the Farm Service Agency and its programs, contact your local agency or the state office for Florida: Florida State Farm Service Agency Office

PO Box 141030, Gainesville, Florida 34614-1030

Phone: (352) 379-4500 Fax: (352) 379-4580

Florida Department of Agriculture and Consumer Services (DOACS) http://ww.doacs.state.fl.us

DOACS, Division of Plant Industry http://www.doacs.state.fl.us/pi/

DOACS, Division of Animal Industry http://www.doacs.state.fl.us/ai/

Florida State Agricultural Response Team http://www.flsart.com

University of Florida, IFAS Extension Service http://solutionsforyourlife.ufl.edu/

PART 6: SUMMARY, DISCUSSION & WRAP-UP

Time: 5-10 minutes

Focus: Review the learning objectives and encourage a commitment to SART

Slide 66 You and your audience have had a stimulating and practical 50 minutes, but it is almost over. Prior to answering any audience questions or comments, provide a summary to the participants of what they just learned:

- The vision, mission and goals of the Farm Service Agency
- Characteristics of the Farm Service Agency and its organizational structure
- Types of programs administered solely and jointly by the Farm Service Agency
- Key resources available for more information

Thank the audience for their attention and participation. Congratulate them for their commitment to the SART endeavor and on their desire to be part of the solution.

At this point, you may elect to have the participants take the Post-Test provided in the Resources section of this manual. Remember to review the answers to the test questions after all participants complete the test.

A content-specific Evaluation is provided in the Resources section of the manual. The generic Evaluation available in the *Toolkit for Planning a Community-Based SART Training Event* can be utilized as well. As the presenter, you should decide which evaluation best meets the needs of your situation. Please have participants complete an evaluation at the conclusion of this module. Encourage participants to be as honest and forthright as possible as it helps you, the presenter, make adjustments as necessary for future presentations, which in turn benefits future participants.

PARTICIPANT EVALUATION

Introducing the Farm Service Agency

Please circle the number that best expresses your opinions about the following statements.

	, ,	•		J		
		Fully Disagree	Disagree	Neutral	Agree	Fully Agree
1.	The training module's format was appropriate.	1	2	3	4	5
2.	The information presented is useful to me.	1	2	3	4	5
3.	The time it took to complete this module was acceptable.	1	2	3	4	5
4.	I understand the basic tasks and directives of the Farm Service Agency.	1	2	3	4	5
5.	The organization and importance of County Committees has been explained.	1	2	3	4	5
6.	I know more about the FSA's role in food distribution than when the training session began.	1	2	3	4	5
7.	FSA's programs following a disaster such as a hurricane have been explained in a logical manner.	1	2	3	4	5
8.	I am more prepared to take advantage of – and assist with – FSA programs than before the session.	1	2	3	4	5
9.	Available up-to-date resources were clearly outlined.	1	2	3	4	5
We	welcome your comments about this	program:				

Please use the back of this sheet for any further comments.

Thank you for your time!

PARTICIPANT PRE-TEST/POST-TEST

- 1. (Select the best answer) The Farm Service Agency is part of which federal agency?
 - a. Department of the Interior
 - b. United States Postal Service
 - c. Agricultural Conservation and Stabilization Service
 - d. Department of Agriculture

2.	(Fill in the blank) Local Farm Service Agency programs are
	administered with the assistance of a locally elected

- 3. (True or False) _____ In the FSA's Direct and Counter Cyclical Payments program, counter-cyclical payments are made to eligible farmers when a commodity's effective price is below the target price.
- 4. Which statement below best mirrors the vision of the FSA?
 - a. It is dedicated to maximizing farm profits.
 - b. It is dedicated to achieving an economically and environmentally sound future for American agriculture.
 - c. It is mandated by the United States Congress to ensure that loans are available to troubled agricultural sectors at home and abroad.
 - d. Recognizing the inherent incompatibility of environmental and agricultural objectives, it seeks to promote farm diversification in an era of rapid climate change.
- 5. (Circle one) Which of the below is NOT one of the FSA's Four Goals?
 - a. provide an economic safety net through farm income support
 - achieve a high level of stewardship of soil, water, air and wildlife resources while protecting the human and natural environment
 - c. assist eligible individuals and families in becoming successful farmers and ranchers through farm loans
 - d. improve the effectiveness and efficiency of commodity acquisition, procurement, storage and distribution activities to support domestic and international food assistance programs
 - e. all of the above are stated goals of the FSA

Slides 67-71

6.	(True or False) The Conservation Reserve program protects fragile farmland by encouraging farmers to stop growing crops on highly erodable and environmentally sensitive lands.
7.	(Fill in the blank) Following a hurricane, Florida vegetable, fruit and tropical fruit producers may be eligible for special assistance if they have sustained% loss in production of plant population.
8.	(True or False) Under United Nations auspices, the FSA has a major relief effort underway at this time in the nation of North Korea.
9.	(True or False) Beefalo is a semi-mythical creature that the United States Congress has specifically excluded from all USDA-FSA programs.
10	.With a central office located in this central United States city,, the FSA is responsible for the procurement, transportation and disposition of food commodities to fulfill USDA program commitments.
11	. (True or False) Under FSA guidelines, it is a farmer or rancher's responsibility to arrange private lines of credit. The FSA has no authority to make direct and guaranteed loans to help producers who are temporarily unable to obtain private, commercial credit.
12	.(Circle one) The following is NOT one of the new USDA-FSA hurricane-related programs: a. Livestock b. Feed c. Hurricane d. Tree e. Aquaculture f. Defense g. All are user-eligible programs
	nus Question. If I wanted to be involved in any of the FSA programs, first contact would be
WI	ER KEY

TEST ANSWER KEY

Slides 72 1. (d) Department of Agriculture

2. County Committee

- 3. True
- 4. (b) It is dedicated to achieving an economically and environmentally sound future for American agriculture.
- 5. (e) All of the above are stated goals of the FSA.
- 6. True
- 7. 50
- 8. False
- 9. False
- 10. Kansas City, Missouri
- 11.False
- 12.(g) All are user-eligible programs

Bonus: County Committee would be the best answer, but we could also accept County Extension Office or any other appropriate answer [and then steer the answer to the FSA County Committee].

GLOSSARY

Aquaculture: The controlled cultivation and harvest of aquatic plants or animals as a crop (eg, edible marine algae, clams, oysters, and salmon).

Beefalo: A hardy breed of cattle resulting from crossing domestic cattle with the American buffalo (bison); yields leaner beef than conventional breeds.

Slides 73-75

Burley tobacco: An air-cured cigarette tobacco with production centered in Kentucky. Burley and flue-cured tobacco (tobacco cured by heat) account for more than 90 percent of total United States production.

Collateral: Assets pledged by a borrower to secure a loan or other credit, and subject to seizure in the event of default.

Commodity: A physical substance, such as food, grains and metals, which is interchangeable with another product of the same type, and which investors buy or sell, usually through futures contracts. The price of the commodity is subject to supply and demand.

Conservation: The management of resources such as water, air or wildlife so as to preserve their viability, to eliminate waste or maximize the efficiency of their use.

County committee: Eligible participants in FSA programs nominate and elect three to five peer representatives to serve on local county committees. (There are provisions for appointing a minority advisor to reflect the concerns and views of socially disadvantaged producers.) Committees give local producers a voice in how FSA programs operate in their communities. Committees administer programs, provide policy guidance and determine who is eligible for program benefits.

Crambe: An Old World annual plant of the genus Crambe in the mustard family with large, cabbage-like leaves, cultivated for their seeds, which yield a useful oil.

Indemnity: An expressed or implied contract to compensate an individual for loss or damage; for example, an insurance policy.

Longan: An evergreen tree of southeastern Asia to Australia that is grown primarily for its sweet edible fruit.

Plasti-culture: Any production practice for fruits or vegetables where the soil has been bedded, fumigated, fertilized, irrigated with drip tape or another installed irrigation system and covered with plastic mulch.

Slide 76 Riparian: Of or relating to the banks of a river or stream.

SART: The Florida State Agricultural Response Team. A multi-agency coordinating group consisting of governmental and private entities dedicated to all-hazard disaster preparedness, planning, response and recovery for the animal and agriculture sectors in Florida.

Slides 1 - 6





Introducing the Farm Service Agency

Prepared by

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- Rails-to-Trails Conservancy
- USDA National AgroForestry Center
- National Oceanographic & Atmospheric Administration
- David Ahntholz, Naples Daily News
- National Geographic Society



Learning Objectives

At the end of this training module, participants will be able to:

- List and describe the characteristics and organizational structure of the Farm Service Agency.
- Discuss the vision, mission and goals of the Farm Service Agency.
- Discuss the various types of programs administered solely, or jointly, by the Farm Service Agency.
- Identify key resources available for more information.



What is the Farm Service Agency?

- FSA is a federal agency that operates within the US Department of Agriculture.
- FSA headquarters is located in Washington, D.C.
- Most of the agency's staff is located in offices throughout the US and American trust territories

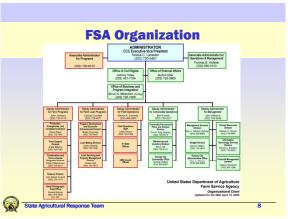
 FSA's 15,000-plus employees are based in 2,400 local USDA Service Centers around the US and Puerto Rico

 "Grass roots" approach to service allows staffers to work one
 - on-one with producers
- Program technicians, loan officers, administrative professionals and many others are employed to carry out FSA services



Slides 7 - 12













Slides 13 - 18





FSA assists eligible individuals and families in becoming successful farmers and ranchers through farm loans



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Commodity Operations Goals

Improve the effectiveness and efficiency of FSA's commodity acquisition, procurement, storage and distribution activities to support domestic and international food assistance programs, and administer the US Warehouse Act (USWA).







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Management Initiatives to Accomplish FSA Goals

- Providing fair and equal treatment in employment and the delivery of programs.
- Enhancing the ability of small, limited resource and socially disadvantaged family farmers and ranchers to operate successfully.
- Maintaining a high level of customer satisfaction with delivery of program operations.



Management Initiatives to Accomplish FSA Goals

- Developing effective administrative management policies and procedures, and information technology processes for Farm and Foreign Agricultural Services (FFAS), taking into consideration the unique operating requirements of each agency.
- Achieving greater cost and operating efficiencies in the delivery of FFAS programs by implementing integrated administrative management systems and reinventing/reengineering FFAS business processes and systems.
- Ensuring producer compliance with program provisions.



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Farm Service Agency Programs

- Direct and Counter-cyclical Payment program
- Marketing Assistance Loans
- Loan Deficiency Payments
- Conservation Reserve Program
 - Conservation Reserve Enhancement Program
- Disaster assistance
- Farm loans
- Commodity operations
 - Domestic and foreign food assistance



FSA Programs by Commodity

Grains, Oilseeds and Cotton

- Direct and Counter-Cyclical
 Payment Program
- Hard White Wheat Incentive
- Payment Program
- Extra Long Staple Cotton
- Competitiveness Program

 Peanut Quota Holder Compensation Program
- Marketing Assistance Loan and Loan Deficiency Payment Programs
- Payments in Lieu of Loan Deficiency Payments for Grazed Acreage Program
- Acreage Program

 High Moisture Corn and Sorghum Recourse Loan Program
- Seed Cotton Recourse Loan Program

State Agricultural Response

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Slides 19 - 24

FSA Programs by Commodity

- Dairy
 - Dairy Price Support Program
 - Milk Income Loss Contract Program
 - Dairy Indemnity Payment Program
- Sugar
 - Sugar Allotment Program
 - Sugar Loan Program
- Tobacco
 - Tobacco Program (burley, flue-cured and other tobaccos)







The Commodity Credit Corporation

Many FSA programs are funded through the **Commodity Credit** Corporation (CCC), a unique governmentowned and operated corporation established in 1933 to stabilize, support and protect farm income and prices.





The Commodity Credit Corporation

- · Managed by a Board of Directors
 - Chaired by the Secretary of Agriculture
 - Seven members, plus the Secretary of Agriculture
- \$30 billion borrowing authority with the US Treasury to finance its programs
- Programs are carried out through the personnel and facilities of the FSA
 - Some programs are jointly administered with other agencies



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Commodity Operations Domestic Food Assistance

- Donates commodities to federal, state, and private agencies for food programs throughout the US
- · Programs include:
 - National School Lunch Program
 - Commodity Supplemental Food Program
 - Emergency Food Assistance Program
 - ... and programs that provide food for summer camps for kids, needy persons, and others
- · Donation examples: Armed services and veteran's hospitals, correctional institutions, migratory waterfowl and/or domestic wildlife



Commodity Operations Foreign Food Assistance

Commodity Operations

A uniform regulatory system for storage of

Achievement of domestic farm program

FSA acquires and disposes of commodities pledged as

collateral for marketing assistance loans, such as wheat, corn, soybeans, oilseeds and other commodities

The timely provision of high-quality food products to domestic and international food assistance and development programs

FSA Commodity Operations division ensures:

agricultural products

objectives

- Foreign food assistance is administered jointly with the USDA Foreign Agricultural Service, Food and Nutrition Service and other institutions
- FSA purchases and delivers agricultural commodities to people in Mongolia, Iraq, and many other foreign countries under federal food aid programs
- Voluntary agencies like the World Food Program and the Agency for International Development assist with the distribution of



Commodity Operations

- Commodity inventories are not simply kept in storage

- FSA employees work to return stored commodities to

• The Kansas City Commodity Office (KCCO) is responsible

Additional Programs

Agriculture Foreign Investment Disclosure Program

Trade Adjustment for Farmers (with Foreign Agricultural Service)

Commodity Warehouse Oversight Program

· Through Commodity Operations, CCC can store purchased food in more than 10,000 approved

commercial warehouses across the nation

private trade channels

PowerPoint Slides

Slides 25 - 30

Commodity Operations

- FSA Commodity Operations:
 - Market and manage CCC inventories such as cotton, grain, oilseeds, nonfat dry milk, and rice, regularly analyzing the location, condition and quantity of these stocks
 - Administer the contracting for storage under the Uniform Grain and Rice Storage Agreement, the Cotton Storage Agreement and the Processed **Commodity Storage Agreement**
 - Administer the U.S. Warehouse Act



Bio-energy Program

On-Farm Storage Facility Loans

Foreign Investment Ownership Disclosure

Market Access Program (MAP) Export Enhancement Program (EEP)

Dairy Export Incentive Program

Sugar Storage Facility Loans

Commodity Warehousing

Food Assistance/Exports

Storage

for these tasks

Commodity Operations

- At the KCCO, FSA merchandisers regularly sell and swap CCC inventories, using commercial telecommunications trading networks
- · Commodity Operations employs more than 300 people
 - About 50 in the Washington, D.C., headquarters
 - Approximately 55 additional field warehouse examiners across the US







State Agricultural Response Team

Direct and Counter-Cyclical Payment Program

- The Farm Security and Rural Investment Act of 2002 replaced production flexibility contract payments (created under the 1996 act) with direct payments and added new counter-cyclical payments for 2002-07 crops
 - Both payments are based on historical acreage bases and payment yields, not current production
- · Direct payments are issued regardless of market prices
- Payment rates are set in the 2002 Act
 - For each commodity, the direct payment equals the direct payment rate *times* 85 percent of the farm's base acreage times the farm's direct payment yield



Direct and Counter-Cyclical Payment Program

- Counter-cyclical payments are made when a commodity's effective price is below the target price
 - The effective price is the direct payment rate plus the higher of: (1) the national average market price received by producers during the marketing year or (2) the national loan rate for the commodity
 - Target prices are set in the 2002 act
- The DCP program is available on-line
 - Submit contracts, assign crop shares and choose payment options, among other functions



Slides 31 - 36









-

State Agricultural Response Tean

prices tend to be lowest

the proceeds of the sale

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Marketing Assistance Loans and Loan Deficiency Payments

- In lieu of securing a non-recourse marketing assistance loan from CCC, a producer may be eligible for an LDP
- This payment equals the amount by which the applicable loan rate where the commodity is stored exceeds the alternative loan repayment rate for the respective commodity
 - The LDP equals the LDP rate times the quantity of the commodity for which the LDP is requested
- Market loan repayment and LDP provisions are intended to prevent delivery of loan collateral to CCC
- The LDP program is available online
 - Submit an application and set up payment options, among other functions



State Agricultural Response Team

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Marketing Assistance Loans and Loan Deficiency Payments

Marketing Assistance Loans

and Loan Deficiency Payments
 Non-recourse marketing assistance loans help an

eligible producer pay bills when they come due without

having to sell the harvested crop at a time of year when

- When market conditions may be more favorable, a

Non-recourse marketing assistance loans give

payment for that loan at loan maturity

producer may sell the crop and repay the loan with

producers the option of delivering to CCC the quantity of a commodity pledged as collateral for a loan as full

On behalf of the CCC, FSA administers non-recourse marketing assistance loans and loan deficiency payments (LDPs) for:

- wheatcorn
- grain sorghum
- barley
- oats
- soybeans
- rice
- honey

other oilseeds
(including sunflowers, canola, safflower, flaxseed, rapeseed mustard seed, crambe, and sesame).



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The Conservation Reserve Program

- Nation's largest private lands conservation program
- Protects fragile farmland by encouraging farmers to stop growing crops on highly

erodible and environmentally sensitive lands

 Payments for voluntarily keeping land idle for ten- to fifteen-year periods





State Agricultural Response Team

The Conservation Reserve Program

- Producers submit bids for CRP contracts and these are ranked according to an Environmental Benefits Index
 - Bids are accepted according to their ranking
- Farmers plant selected lands in grass or trees and receive annual rental payments for the term of a multiyear contract
- Nationwide, up to 39.2 million acres may be enrolled in CRP at any one time

Slides 37 - 42

The Conservation Reserve Program

- Producers enroll lands in the CRP through a continuous sign-up: unlike a specified sign-up, this is not subject to a bidding process
- · Sign-up provides management flexibility
 - Farmers and ranchers can implement certain highpriority conservation practices on eligible land such as riparian buffers, filter strips, and shelterbelts
- · Offers are automatically accepted
- The 39.2 million-acre cap on CRP enrollment includes continuous sign-up



The Conservation Reserve Enhancement Program

· Combines the CRP with the efforts of states and other entities to encourage farmers and ranchers to install specific conservation practices that meet environmental



Other Conservation Programs

- Tree Assistance Program (when funded)
- Emergency Conservation Program
- · In cooperation with NRCS
 - Environmental Quality Incentives Program
 - Grassland Reserve Program
 - Wetlands Reserve



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Disaster Assistance

- FSA provides disaster assistance to help farmers and ranchers recover losses from drought, flood, freeze, tornadoes and other calamities
 - Emergency Conservation Program
 - Non-insured Crop Disaster Assistance Program
 - Emergency Loan assistance
- Other programs offered when funded
 - Crop Disaster Program



Livestock Assistance Program te Agricultural Response Team

Disaster Assistance

- Emergency Conservation Program
 - Emergency funding for farmers and ranchers to:
 - Rehabilitate farmland damaged by natural disasters
 - Carry out emergency water conservation measures during periods of severe drought
- Non-insured Crop Disaster Assistance Program
 - Federally funded program provides assistance to eligible producers affected by natural disasters
 - Covers:
 - Non-insurable crop losses
 - Planting prevented by disasters



Disaster Assistance

- Emergency Loan Assistance: Low-interest loans to help cover production and physical losses in counties declared disaster areas by the president or designated by the Secretary of Agriculture or FSA Administrator
- Emergency haying and grazing of certain CRP acreage may be made available in areas suffering from weather-related natural disaster





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Slides 43 - 48



Emergency loan funds may be used to:

- restore or replace essential property,
- pay all or part of production costs associated with the disaster year,
- pay essential family living expenses and
- reorganize the farming operation and refinance certain





New USDA Farm Service Agency Disaster Information



State Agricultural Response Team

Hurricanes: The Good News

Four new USDA Programs

- \$250 million is available for 261 designated counties due to 2005 hurricanes in Alabama, Florida, Louisiana, Mississippi, North Carolina and Texas
- Livestock Indemnity
- Feed Indemnity
- Hurricane Indemnity
- Tree Indemnity



The USDA/FSA **Livestock Indemnity Program**

- Payments to eligible livestock owners and contract growers whose livestock died as a result of the hurricanes
 - Owners: 75% of fair market value
 - Contract Growers: 75% of average sustained income loss



State Agricultural Response Tear

The USDA/FSA **Feed Indemnity Program**

- Payments to eligible livestock owners and cash lessees who suffered feed losses or increased costs as a result of the hurricanes
- Eligible for beefalo, beef cattle, buffalo, dairy cattle, deer, goats, horses and sheep
- Not eligible: livestock for other than commercial use as part of a farming operation and some non-adult animals



The USDA/FSA **Feed Indemnity Program**







Slides 49 - 54

The USDA/FSA Feed Indemnity Program

Program payment rates

- Adult beef cattle, buffalo and beefalo (cows and bulls) \$6.80
- Adult dairy cattle (cows and bulls) \$17.69
- Non-adult beef, dairy, buffalo, beefalo (500 lbs or more) \$5.10
- Deer (all) \$1.70
- Goats (all) \$1.70
- Horses (all) \$5.04
- Sheep (all) \$1.70





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Hurricane Indemnity Program The Hurricane Indemnity Program (HIP) provides

 The Hurricane Indemnity Program (HIP) provides payments to eligible producers who experienced crop losses and received either a:

The USDA/FSA

- A 2005 or 2006 USDA Risk Management Agency Federal Crop Insurance Corporation crop insurance indemnity payment for insured crops; or
- A 2005 or 2006 FSA Non-insured Crop Disaster Assistance Program (NAP) payment.
- HIP benefits equal 30% of the crop insurance indemnity or 30% of the NAP payment and cannot exceed 95 percent of the value of the expected crop returns had there not been a disaster.



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The USDA/FSA Tree Indemnity Program

 TIP provides payments to eligible owners of commercially grown fruit trees, nut trees, bushes and vines that produce an annual crop and were lost or damaged as a result of 2005 hurricanes.

Loss or damage must have occurred in one of 261 counties designated as primary presidential or secretarial disaster because of 2005 hurricanes, and it does not include contiguous counties (undesignated counties that touch the primary county).



State Agricultural Response Team

The USDA/FSA Tree Indemnity Program

To be considered eligible, applicants must:

- bear financial responsibility for the fruit trees, bushes, and/or vines;
- have suffered a crop loss or damage directly resulting from an eligible hurricane in an eligible county during the eligible time period; and
- have incurred costs of at least \$90 per acre for replanting, rehabilitation, cleanup, or debris removal (excluding crop production).

Payments for TIP will be based on the crop's proximity to the hurricanes using established tiers that reflect the severity of damage from least to most severe.

Timber, nursery inventory and container-grown fruit tree losses are not eligible for TIP assistance.



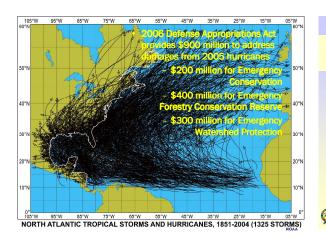
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The USDA/FSA Aquaculture Grants

- \$25 million block grants to states \$3.6 million in Florida
- Distribution determined by state governors
- To be an eligible producer:
 - Raise species in a controlled environment as part of a farming operation
 - has a risk in the production of the aquaculture species
 - suffered an aquaculture loss as a direct result of an eligible hurricane in an eligible county during and applicable time period
 - has not received aid under other disaster programs for the same aquaculture loss

State Agricultural Response Team

Slides 55 - 60







Disaster Assistance 2004 Hurricane Season

Florida Citrus Disaster Program

Reimbursement on a per acre basis with four tiers of payment Tier 1, 75% or more crop loss and associated tree damage Tier 2: 50% or greater crop loss and

associated tree damage Tier 3: 35 - 49% crop loss and associated tree damage

Tier 4: 15% or greater tree damage,

\$0 for production loss



Disaster Assistance 2004 Hurricane Season

• Florida Vegetable, Fruit and Tropical Fruit Disaster Program -Eligible acres have minimum 50% loss in production or plant population with five categories of payment







Disaster Assistance 2004 Hurricane Season

- Florida Vegetable, Fruit and Tropical Fruit Disaster Program
- Requires certification of 50% loss plasti-culture, tropical fruit and vegetables.
 Plasti-culture: production practice for fruits or vegetables where the soil has been bedded, fumigated, fertilized, irrigated with drip tape or another installed irrigation system and covered with plastic mulch.

 - Tropical fruit includes carambola, longan, lychee and mango crops.

 Vegetables cover all other vegetables produced in a way other than in plasti-culture.
- There are five farming practice categories for payments:
 Practice 1: Plasti-culture with plants, 50% or more of plastic.
 - Practice 2: Plasti-culture with plants, 50% or more or plastic OR plasti-culture with plants with 50% or more of plastic OR plasti-culture with plants with 50% or more loss in plant production with no replants Practice 3: Double-drop plasti-culture without plants with 50% loss of plastic OR new plasti-culture with 50% loss of plants and replants
 Practice 4: 50% loss in plant population for conventional row-cropped practices

 - Practice 5: Tropical fruit with 50% or greater production loss in Lee County or Citrus Bands I and II



Disaster Assistance 2004 Hurricane Season

• The Florida Nursery Crop Disaster Program

Pays producers whose eligible acreage has a minimum of \$250 per acre in expenses to restore the area.

For those covered by insurance or the Non-Insured Crop Disaster Assistance Program (NAP), payment is 25% of the actual dollar value of inventory lost and a flat rate of \$250 per eligible acre for clean-up.





Slides 61 - 66

FSA Direct & Guaranteed Loans

- FSA has direct and guaranteed loan programs to help farmers and ranchers who are temporarily unable to obtain private, commercial credit
 - Direct loans are made straight from FSA
 - Guaranteed loans provide conventional agricultural lenders with up to a 95 percent guarantee of the principal loan amount





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Farm Loans

- Each year, loan funds are set aside for beginning farmers and ranchers and for minority or socially disadvantaged producers
- FSA also offers loans to young people through its Youth Loan program
 - Applicants must be between 10 and 20 years old
 - Must have a supervisor overseeing the farm project
- Each loan program has eligibility requirements that applicants must meet to receive an FSA loan



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Other Loan Programs

- Emergency Loans
- Direct Farm Ownership Loans
- Guaranteed Farm Ownership Loans
- Direct Operating Loans
- Boll Weevil Eradication Loans
- Indian Tribal Land Acquisitions



The infamous boll weevil



-

Additional sources of information and support

- US Department of Agriculture (www.usda.gov)
- Farm Service Agency home page (www.fsa.usda.gov)
- Agricultural Marketing Service (www.ams.usda.gov)
- Food & Nutrition Service (www.fns.usda.gov/fns/default.htm)
- Commodity Credit Corp. (www.fsa.usda.gov/ccc/default.htm)
- Foreign Agricultural Service (www.fas.usda.gov)
- Natural Resources Conservation Service (www.nrcs.usda.gov)
- The FSA Strategic Plan is available in its entirety at the following web address (www.fsa.usda.gov/pas/stratplans/fsastrat.pdf)



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Additional sources of information and support

- Kansas City Commodity Office (KCCO)
 PO Box 419205, Kansas City, Missouri 64141-6205
- For more information on CCC-owned commodities contact Warehouse and Inventory Division, Farm Service Agency 1400 Independence Avenue, SW, Washington, DC 20250-0553
- For more information on the Farm Service Agency and its programs, contact your local agency or the state office for Florida: Florida State Farm Service Agency Office
 PO Box 141030, Gainesville, Florida 34614-1030
 Phone: (352) 379-4500/Fax: (352) 379-4580





Slides 67 - 72

Now, Test Your Knowledge and Awareness (1 of 5)

- (Select the best answer) The Farm Service Agency is part of which federal agency?
 - a. Department of the Interior
 - b. US Postal Service
 - c. Agricultural Conservation and Stabilization Service
- d. Department of Agriculture
- (Fill in the blank) Local Farm Service Agency programs are administered with the assistance of a locally elected
- (True or False) ____ In the FSA's Direct and Counter Cyclical Payments program, counter-cyclical payments are made to eligible farmers when a commodity's effective price is below the target price.



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Now, Test Your Knowledge and Awareness (2 of 5)

- 4. Which statement below best mirrors the vision of FSA?
 - a. It is dedicated to maximizing farm profits.
 - b. It is dedicated to achieving an economically and environmentally sound future for American agriculture.
 - It is mandated by the US Congress to ensure that loans are available to troubled agricultural sectors at home and abroad.
 - Recognizing the inherent incompatibility of environmental and agricultural objectives, it seeks to promote farm diversification in an era of rapid climate change.

Now, Test Your Knowledge

and Awareness (4 of 5)

7. (Fill in the blank) Following a hurricane, Florida vegetable, fruit and

8. (True or False) Under United Nations auspices, the FSA has a major

relief effort underway at this time in the nation of North Korea.

Congress has specifically excluded from all USDA-FSA programs.

they have sustained % loss in production of plant

9. (True or False) Beefalo is a semi-mythical creature that the US

tropical fruit producers may be eligible for special assistance if

highly erodable and environmentally sensitive lands.

fragile farmland by encouraging farmers to stop growing crops on

_ The Conservation Reserve program protects



- -

Now, Test Your Knowledge and Awareness (3 of 5)

- 5. (Circle one) Which of the below is NOT one of the FSA's Four Goals?
 - a. provide an economic safety net through farm income support
 - achieve a high level of stewardship of soil, water, air and wildlife resources while protecting the human and natural environment
 - c. assist eligible individuals and families in becoming successful farmers and ranchers through farm loans
 - improve the effectiveness and efficiency of commodity acquisition, procurement, storage and distribution activities to support domestic and international food assistance programs
 - e. all of the above are stated goals of the FSA



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State Agricultural Response Team

population.

6. (True or False)

70

Now, Test Your Knowledge and Awareness (5 of 5)

- 10. With a central office located in this central US city, the FSA is responsible for the procurement, transportation and disposition of food commodities to fulfill USDA program commitments.
- 11. (True or False) Under FSA guidelines, it is a farmer or rancher's responsibility to arrange private lines of credit. The FSA has no authority to make direct and guaranteed loans to help producers who are temporarily unable to obtain private, commercial credit.
- 12. (Circle one) The following is *NOT* one of the new USDA-FSA hurricane-related programs:
 - a. Livestock b. Feed c. Hurricane d. Tree e. Aquaculture f. Defense g. All are user-eligible programs
- Bonus Question. If I wanted to be involved in any of the FSA programs, my first contact would be ______.



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Test Answer Key

- (d) Department of Agriculture
- 2. County Committee
- 3. True
- 4. (b) It is dedicated to achieving an economically and environmentally sound future for American agriculture.
- 5. (e) All of the above are stated goals of the FSA.
- 6. True
- 7. 50
- 9. False
- 10. Kansas City, Missouri
- 11. Fals
- 12. (g) All are user-eligible programs

Bonus: County Committee. Also acceptable County Extension Office.



State Agricultural Response Team

Slides 73 - 76

Glossary (1 of 3)

- Aquaculture: The controlled cultivation and harvest of aquatic plants or animals as a crop (eg. edible marine algae, clams, oysters, and salmon).
 Beefalo: A hardy breed of cattle resulting from crossing domestic cattle with the American buffalo (bison); yields leaner beef than conventional breeds.
 Burley tobacco: An air-curde digarete tobacco with production centered in Kentucky. Burley and flue-cured tobacco (tobacco cured by heat) account for Kentucky. Burley and flue-cured tobacco (tobacco cured by heat) account for more than 90 percent of total United States production.
- Collateral: Assets pledged by a borrower to secure a loan or other credit, and
- subject to seizure in the event of default.

 Commodity: A physical substance, such as food, grains and metals, which is interchangeable with another product of the same type, and which investors buy or sell, usually through futures contracts. The price of the commodity is subject to supply and demand.
- Conservation: The management of resources such as water, air or wildlife so as to preserve their viability, to eliminate waste or maximize the efficiency of their use.



Glossary (2 of 3)

- County committee: Eligible participants in FSA programs nominate and elect 3-5 peer representatives to serve on county committees. (A minority advisor may be appointed to reflect the concerns/views of socially disadvantaged producers.) Committees give local producers a voice in how FSA programs operate in their communities. Committees administer programs, provide policy guidance and determine who is eligible for program benefits.
- **Crambe**: An annual plant of the genus Crambe in the mustard family with large, cabbage-like leaves, cultivated for their seeds, which yield a useful oil.
- Indemnity: An expressed or implied contract to compensate an individual for loss or damage; for example, an insurance policy.
- Longan: An evergreen tree of southeastern Asia to Australia that is grown primarily for its sweet edible fruit.
- Plasti-culture: Any production practice for fruits or vegetables where the soil has been bedded, fumigated, fertilized, irrigated with drip tape or another installed irrigation system and covered with plastic mulch
- . Riparian: Of or relating to the banks of a river or stream.



Glossary (3 of 3)

 SART: The Florida State Agricultural Response Team. A multi-agency coordinating group consisting of governmental and private entities dedicated to all-hazard disaster preparedness, planning, response and recovery for the animal and agriculture sectors in Florida.



State Agricultural Response Team

Introducing the Farm Service Agency

• That concludes our presentation on "Introducing the Farm Service Agency." Thank you for attending and for participating!

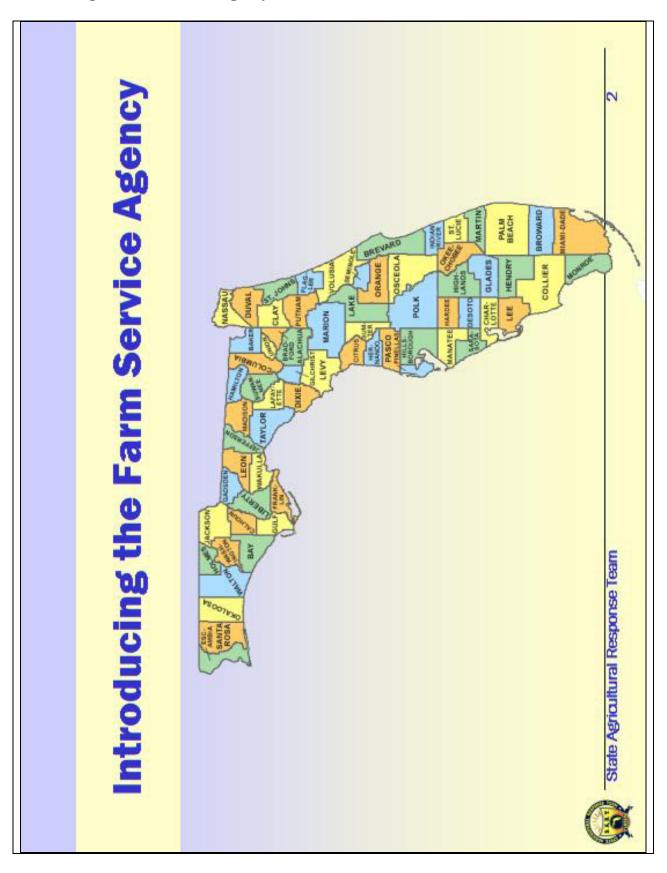
PowerPoint Slides - Full Size

The "Introducing the Farm Service Agency" PowerPoint slides are reproduced full-size on the following pages. You can use these pages as a display or photocopy them onto plastic overhead sheets for use with an overhead projector.

Color versions of these slides can be downloaded from the SART web site at:

<www.flsart.org>







Acknowledgements

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- Tim Manning
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- USDA National AgroForestry Center
- National Oceanographic & Atmospheric Administration
- David Ahntholz, Naples Daily News
- · National Geographic Society





Learning Objectives

will be able to: At the end of this training module, participants

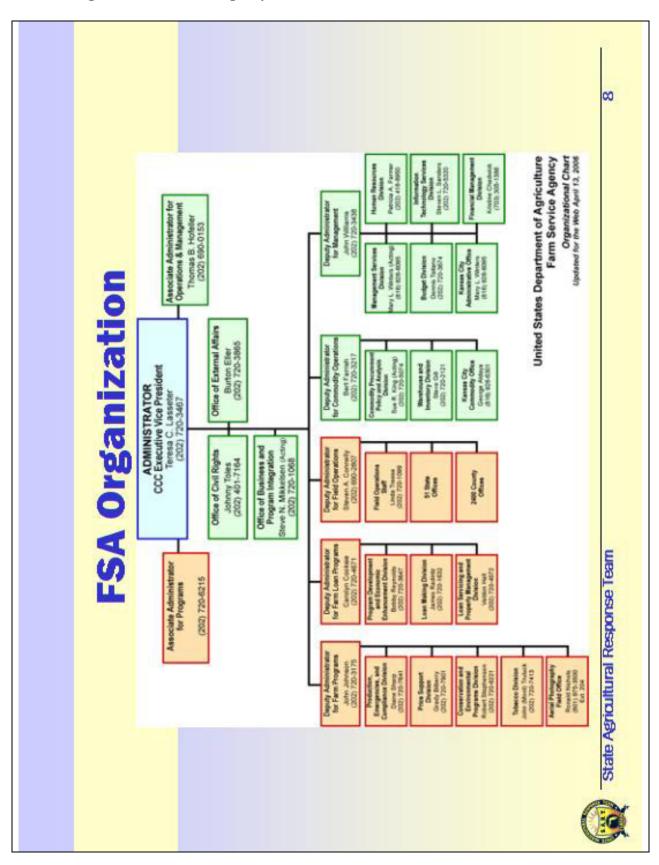
- List and describe the characteristics and organizational structure of the Farm Service Agency.
- Discuss the vision, mission and goals of the Farm Service Agency.
- Discuss the various types of programs administered solely, or jointly, by the Farm Service Agency.
- Identify key resources available for more information.

What is the Farm Service Agency?

- FSA is a federal agency that operates within the US Department of Agriculture.
- FSA headquarters is located in Washington, D.C.
- Most of the agency's staff is located in offices throughout the US and American trust territories
- FSA's 15,000-plus employees are based in 2,400 local USDA Service Centers around the US and Puerto Rico
- "Grass roots" approach to service allows staffers to work oneon-one with producers
- Program technicians, loan officers, administrative professionals and many others are employed to carry out FSA services









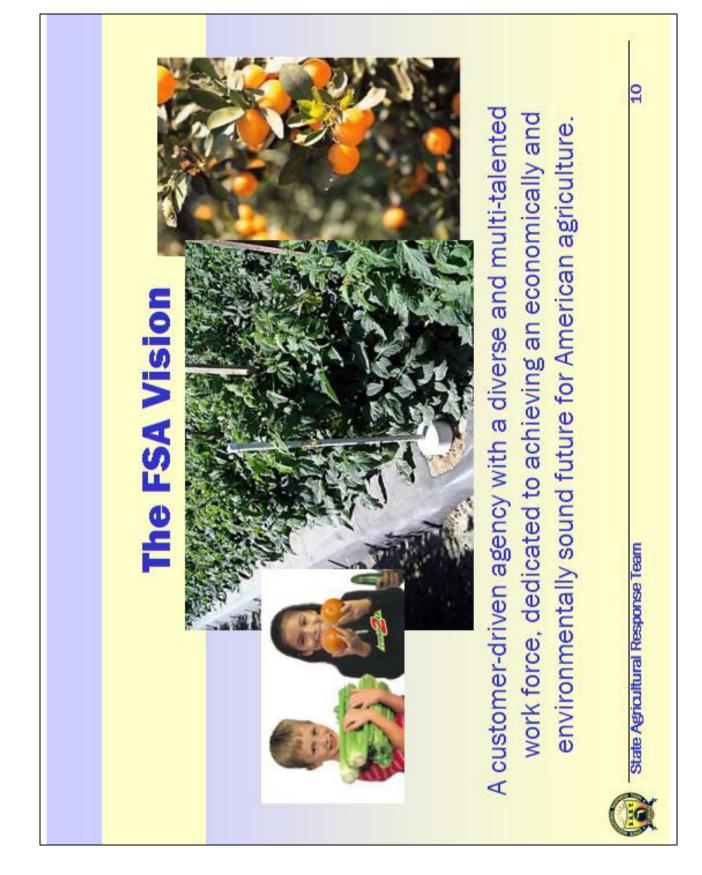
FSA's County Committees

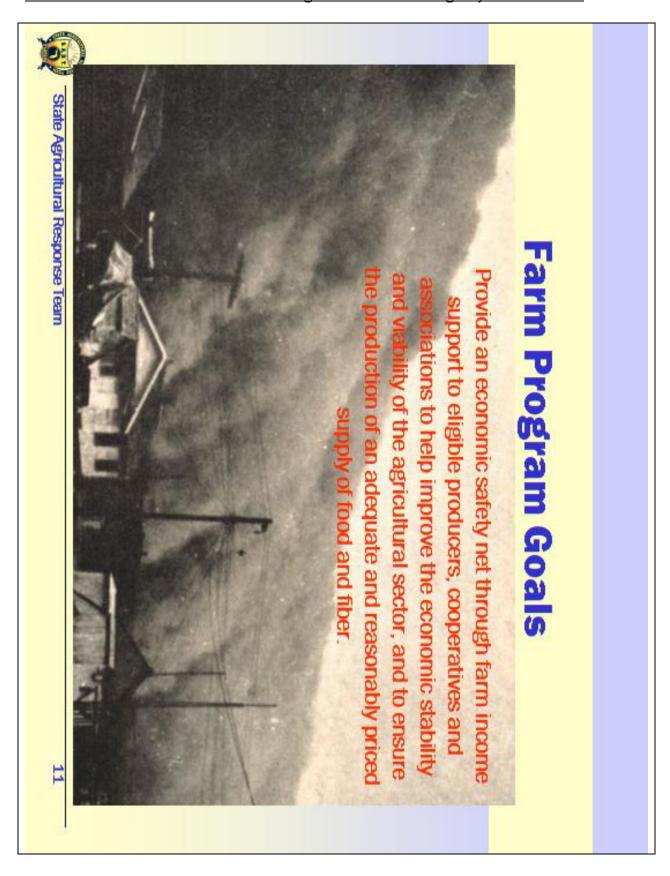
- One of the unique features of FSA is its County Committee system
- Gives local producers a say in how programs are administered
- Farmers and ranchers eligible for FSA programs nominate and elect 3 5 representatives to serve on local County Committees
- Committees administer programs, provide policy guidance and determine who meets eligibility requirements for program benefits

 There are provisions for appointing a minority advisor who reflects the concerns and views of socially disadvantaged producers



State Agricultural Response Team





Conservation and Environmental Goals

achieving a high level of stewardship of soil, water, air, and wildlife resources on America's farmland and ranches while protecting the human and natural Assist agricultural producers and landowners in environment.







Commodity Operations Goals

international food assistance programs, and administer commodity acquisition, procurement, storage and Improve the effectiveness and efficiency of FSA's distribution activities to support domestic and the US Warehouse Act (USWA).











Management Initiatives to Accomplish FSA Goals

- Providing fair and equal treatment in
- Enhancing the ability of small, limited resource and socially disadvantaged family farmers and ranchers to operate successfully. employment and the delivery of programs
- Maintaining a high level of customer satisfaction with delivery of program operations

Management Initiatives to Accomplish FSA Goals

- (FFAS), taking into consideration the unique operating processes for Farm and Foreign Agricultural Services policies and procedures, and information technology Developing effective administrative management requirements of each agency.
- reinventing/reengineering FFAS business processes and Achieving greater cost and operating efficiencies in the delivery of FFAS programs by implementing integrated administrative management systems and systems.
- Ensuring producer compliance with program provisions.





Farm Service Agency Programs

- Direct and Counter-cyclical Payment program
- Marketing Assistance Loans
- Loan Deficiency Payments
- Conservation Reserve Program
- Conservation Reserve Enhancement Program
- Disaster assistance
- Farm loans
- Commodity operations
- Domestic and foreign food assistance

FSA Programs by Commodity

Grains, Oilseeds and Cotton

- Direct and Counter-Cyclical Payment Program
- Payment Program
 Extra Long Stable Cotton
- Extra Long Staple Cotton
 Competitiveness Program
- Peanut Quota Holder Compensation Program
- Marketing Assistance Loan and Loan Deficiency Payment Programs
- Payments in Lieu of Loan Deficiency Payments for Grazed Acreage Program
- High Moisture Corn and Sorghum Recourse Loan Program
- Seed Cotton Recourse Loan Program



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FSA Programs by Commodity

Dairy

- Dairy Price Support Program
- Milk Income Loss Contract Program
- Dairy Indemnity Payment Program

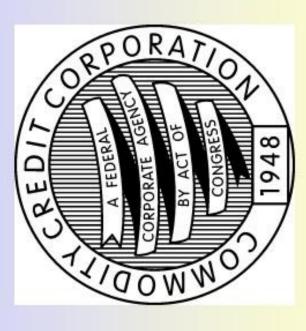
Sugar

- Sugar Allotment Program
- Sugar Loan Program
- Tobacco
- Tobacco Program (burley, flue-cured and other tobaccos)



The Commodity Credit Corporation

corporation established in 1933 to stabilize, support and protect farm income Many FSA programs are owned and operated unique government-Corporation (CCC), a funded through the Commodity Credit and prices.







The Commodity Credit Corporation

- Managed by a Board of Directors
- Chaired by the Secretary of Agriculture
- Seven members, plus the Secretary of Agriculture
- \$30 billion borrowing authority with the US Treasury to finance its programs
- Programs are carried out through the personnel and facilities of the FSA
- Some programs are jointly administered with other agencies

Commodity Operations

FSA Commodity Operations division ensures:

A uniform regulatory system for storage of agricultural products

The timely provision of high-quality food products to domestic and international food assistance and development programs

Achievement of domestic farm program objectives

collateral for marketing assistance loans, such as wheat, FSA acquires and disposes of commodities pledged as corn, soybeans, oilseeds and other commodities





Domestic Food Assistance **Commodity Operations**

- Donates commodities to federal, state, and private agencies for food programs throughout the US
- Programs include:
- National School Lunch Program
- Commodity Supplemental Food Program
- Emergency Food Assistance Program
- ... and programs that provide food for summer camps for kids, needy persons, and others
- and/or domestic wildlife hospitals, correctional institutions, migratory waterfowl Donation examples: Armed services and veteran's

Commodity Operations Foreign Food Assistance

- Foreign food assistance is administered jointly with the USDA Foreign Agricultural Service, Food and Nutrition Service and other institutions
- FSA purchases and delivers
 agricultural commodities to people
 in Mongolia, Iraq, and many other
 foreign countries under federal
 food aid programs
- International Development assist with the distribution of Voluntary agencies like the World Food Program and the Agency for the food



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Commodity Operations

- FSA Commodity Operations:
- Market and manage CCC inventories such as cotton, grain, oilseeds, nonfat dry milk, and rice, regularly these stocks analyzing the location, condition and quantity of
- Administer the contracting for storage under the Cotton Storage Agreement and the Processed Commodity Storage Agreement Uniform Grain and Rice Storage Agreement, the
- Administer the U.S. Warehouse Act

Commodity Operations

- purchased food in more than 10,000 approved Through Commodity Operations, CCC can store commercial warehouses across the nation
- Commodity inventories are not simply kept in storage
- FSA employees work to return stored commodities to private trade channels
- The Kansas City Commodity Office (KCCO) is responsible for these tasks





Commodity Operations

- At the KCCO, FSA merchandisers regularly sell and swap CCC inventories, using commercial telecommunications trading networks
- Commodity Operations employs more than 300 people
- About 50 in the Washington, D.C., headquarters
 Approximately 55 additional field warehouse examiners across the US



State Agricultural Response Team

Additional Programs

- Bio-energy Program
- Storage
- On-Farm Storage Facility Loans
- Sugar Storage Facility Loans
- Foreign Investment Ownership Disclosure
- Commodity Warehousing

Agriculture Foreign Investment Disclosure Program

- Commodity Warehouse Oversight Program
- Food Assistance/Exports
- Market Access Program (MAP)

Trade Adjustment for Farmers (with Foreign Agricultural Service)

- Export Enhancement Program (EEP)
 - Dairy Export Incentive Program





Direct and Counter-Cyclical Payment Program

- replaced production flexibility contract payments The Farm Security and Rural Investment Act of 2002 created under the 1996 act) with direct payments and
- Both payments are based on historical acreage bases and payment yields, not current production

added new counter-cyclical payments for 2002-07 crops

- Direct payments are issued regardless of market prices
- Payment rates are set in the 2002 Act
- For each commodity, the direct payment equals the base acreage times the farm's direct payment yield direct payment rate times 85 percent of the farm's

Direct and Counter-Cyclical Payment Program

- commodity's effective price is below the target price Counter-cyclical payments are made when a
- The effective price is the direct payment rate plus the received by producers during the marketing year or higher of: (1) the national average market price (2) the national loan rate for the commodity
- Target prices are set in the 2002 act
- The DCP program is available on-line
- Submit contracts, assign crop shares and choose payment options, among other functions





and Loan Deficiency Payments **Marketing Assistance Loans**

- having to sell the harvested crop at a time of year when eligible producer pay bills when they come due without Non-recourse marketing assistance loans help an prices tend to be lowest
- producer may sell the crop and repay the loan with When market conditions may be more favorable, a the proceeds of the sale
- producers the option of delivering to CCC the quantity of a commodity pledged as collateral for a loan as full Non-recourse marketing assistance loans give payment for that loan at loan maturity





and Loan Deficiency Payments **Marketing Assistance Loans**

- In lieu of securing a non-recourse marketing assistance loan from CCC, a producer may be eligible for an LDP
- applicable loan rate where the commodity is stored respective commodity exceeds the alternative loan repayment rate for the This payment equals the amount by which the
- The LDP equals the LDP rate times the quantity of the commodity for which the LDP is requested
- Market loan repayment and LDP provisions are intended to prevent delivery of loan collateral to CCC
- The LDP program is available online
- Submit an application and set up payment options, among other functions

and Loan Deficiency Payments **Marketing Assistance Loans**

On behalf of the CCC, FSA administers non-recourse marketing assistance loans and loan deficiency payments (LDPs) for:

- wheat
- corn
- grain sorghum
- barley
- oats
- soybeans
- rice
- honey
- other oilseeds

(including sunflowers, canola, safflower, flaxseed, rapeseed, mustard seed, crambe, and sesame)









The Conservation Reserve Program

Nation's largest private lands conservation program

Protects fragile farmland by encouraging farmers to stop

growing crops on highly erodible and

Payments for voluntarily keeping land idle for ten- to fifteen-year periods

sensitive lands

environmentally



ti

The Conservation Reserve Program

- Producers submit bids for CRP contracts and these are ranked according to an Environmental Benefits Index
- Bids are accepted according to their ranking
- receive annual rental payments for the term of a multi-Farmers plant selected lands in grass or trees and year contract
- Nationwide, up to 39.2 million acres may be enrolled in CRP at any one time



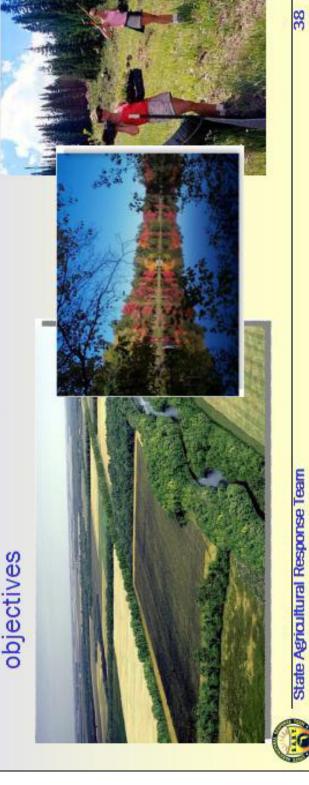


The Conservation Reserve Program

- Producers enroll lands in the CRP through a continuous sign-up: unlike a specified sign-up, this is not subject to a bidding process
- Sign-up provides management flexibility
- Farmers and ranchers can implement certain highas riparian buffers, filter strips, and shelterbelts priority conservation practices on eligible land such
- Offers are automatically accepted
- continuous sign-up The 39.2 million-acre cap on CRP enrollment includes

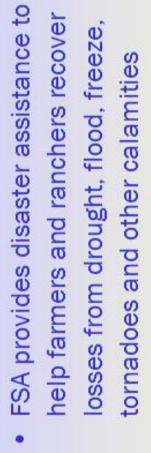
The Conservation Reserve Enhancement Program

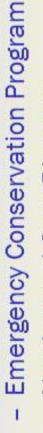
specific conservation practices that meet environmental Combines the CRP with the efforts of states and other entities to encourage farmers and ranchers to install





Disaster Assistance





- Non-insured Crop Disaster
 Assistance Program
- Emergency Loan assistance
- Other programs offered when funded
 - Crop Disaster Program











Disaster Assistance

- Emergency Conservation Program
- Emergency funding for farmers and ranchers to:

Rehabilitate farmland damaged by natural

- disasters
- Carry out emergency water conservation measures during periods of severe drought
- Non-insured Crop Disaster Assistance Program
- Federally funded program provides assistance to eligible producers affected by natural disasters
- Covers:
- Non-insurable crop losses
- Planting prevented by disasters

Disaster Assistance

- Emergency Loan Assistance:

 Low-interest loans to help
 cover production and physical
 losses in counties declared
 disaster areas by the
 president or designated by the
 Secretary of Agriculture or FSA
 Administrator
- Emergency haying and grazing of certain CRP acreage may be made available in areas suffering from weather-related natural disaster



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debts.

operation and refinance certain

reorganize the farming

expenses and

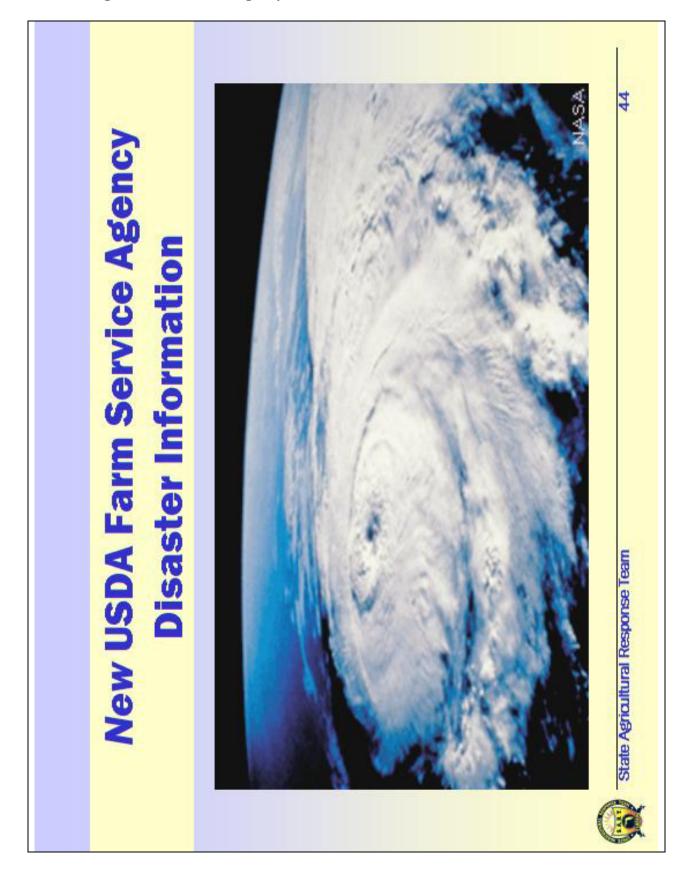
Disaster Assistance

Emergency loan funds may be used to:

- restore or replace essential property,
- pay all or part of production costs associated with the disaster year,
 pay essential family living



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Hurricanes: The Good News

Four new USDA Programs

- \$250 million is available for 261 designated counties due to Florida, Louisiana, Mississippi, 2005 hurricanes in Alabama, North Carolina and Texas
- Livestock Indemnity
- Hurricane Indemnity Feed Indemnity

Tree Indemnity



The USDA/FSA

Livestock Indemnity Program

Payments to eligible
livestock owners and
contract growers whose
livestock died as a result of
the hurricanes

 Owners: 75% of fair market value Contract Growers: 75%
 of average sustained
 income loss





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Feed Indemnity Program The USDA/FSA

- Payments to eligible livestock owners and cash lessees of the hurricanes who suffered feed losses or increased costs as a result
- deer, goats, horses and sheep Eligible for beefalo, beef cattle, buffalo, dairy cattle
- Not eligible: livestock for other than commercial use as part of a farming operation and some non-adult animals





The USDA/FSA Feed Indemnity Program

Program payment rates

- Adult beef cattle, buffalo and beefalo (cows and bulls) \$6.80
- Adult dairy cattle (cows and bulls) \$17.69
- Non-adult beef, dairy, buffalo, beefalo (500 lbs or more) \$5.10 Deer (all) \$1.70



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Sheep (all) - \$1.70

Horses (all) - \$5.04

Goats (all) - \$1.70

Hurricane Indemnity Program The USDA/FSA

- payments to eligible producers who experienced crop The Hurricane Indemnity Program (HIP) provides osses and received either a:
- A 2005 or 2006 USDA Risk Management Agency Federal Crop Insurance Corporation crop insurance indemnity payment for insured crops, or
- A 2005 or 2006 FSA Non-insured Crop Disaster Assistance Program (NAP) payment. d
- exceed 95 percent of the value of the expected crop indemnity or 30% of the NAP payment and cannot HIP benefits equal 30% of the crop insurance returns had there not been a disaster.



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The USDA/FSA Tree Indemnity Program

commercially grown fruit trees, nut trees, bushes and vines that produce an annual crop and were lost or TIP provides payments to eligible owners of damaged as a result of 2005 hurricanes.

secretarial disaster because of 2005 hurricanes, and it does not include contiguous counties (undesignated Loss or damage must have occurred in one of 261 counties designated as primary presidential or counties that touch the primary county).





Tree Indemnity Program The USDA/FSA

To be considered eligible, applicants must:

- bear financial responsibility for the fruit trees, bushes, and/or vines;
- cleanup, or debris removal (excluding crop production). hurricane in an eligible county during the eligible time period; and have incurred costs of at least \$90 per acre for replanting, rehabilitation, have suffered a crop loss or damage directly resulting from an eligible

using established tiers that reflect the severity of damage from least to most severe Payments for TIP will be based on the crop's proximity to the hurricanes

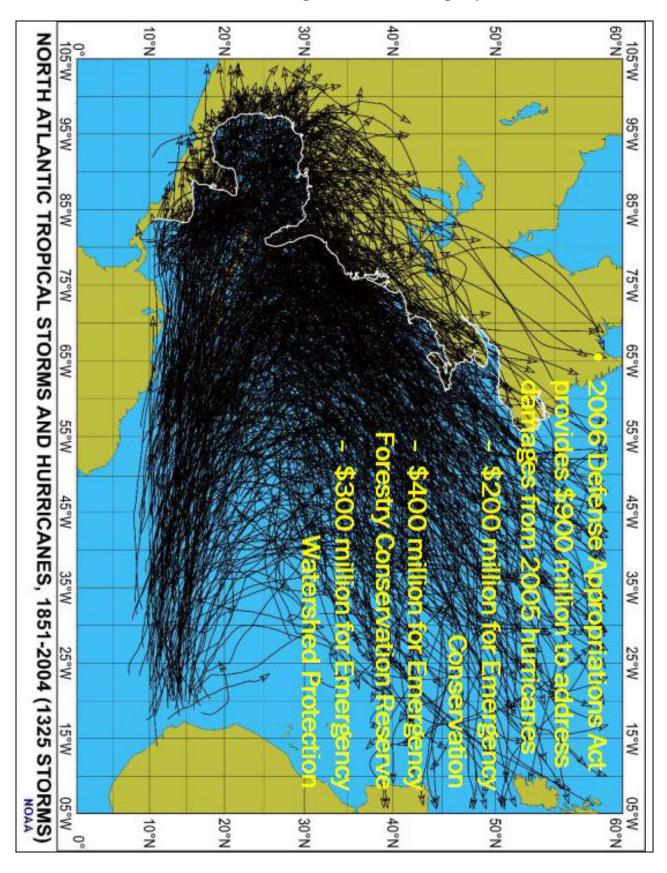
eligible for TIP assistance Timber, nursery inventory and container-grown fruit tree losses are not

The USDA/FSA Aquaculture Grants

- \$25 million block grants to states \$3.6 million in Florida
- Distribution determined by state governors
- To be an eligible producer:
- Raise species in a controlled environment as part of a farming operation
- has a risk in the production of the aquaculture species
- hurricane in an eligible county during and applicable time period suffered an aquaculture loss as a direct result of an eligible
- has not received aid under other disaster programs for the same aquaculture loss



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Disaster Assistance 2004 Hurricane Season

Florida Citrus Disaster Program

Reimbursement on a per acre basis with four tiers of payment

Tier 1, 75% or more crop loss and associated tree damage

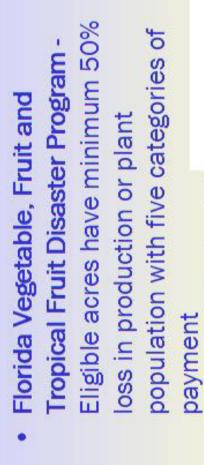
Tier 2: 50% or greater crop loss and associated tree damage

Tier 3: 35 – 49% crop loss and associated tree damage

Tier 4: 15% or greater tree damage, \$0 for production loss

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2004 Hurricane Season **Disaster Assistance**









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Disaster Assistance 2004 Hurricane Season

- Florida Vegetable, Fruit and Tropical Fruit Disaster Program
- Requires certification of 50% loss plasti-culture, tropical fruit and vegetables.
- Plasti-culture: production practice for fruits or vegetables where the soil has been system and covered with plastic mulch. bedded, fumigated, fertilized, irrigated with drip tape or another installed irrigation
- Tropical fruit includes carambola, longan, lychee and mango crops
- Vegetables cover all other vegetables produced in a way other than in plasti-culture
- There are five farming practice categories for payments:
- Practice 1: Plasti-culture with plants, 50% or more of plastic
- Practice 2: Plasti-culture without plants with 50% or more of plastic OR plasti-culture Practice 3: Double-drop plasti-culture without plants with 50% loss of plastic OR new with plants with 50% or more loss in plant production with no replants
- plasti-culture with 50% loss of plants and replants
- Practice 4: 50% loss in plant population for conventional row-cropped practices
- Bands I and II Practice 5: Tropical fruit with 50% or greater production loss in Lee County or Citrus

Disaster Assistance 2004 Hurricane Season

The Florida Nursery Grop Disaster Program

Pays producers whose eligible acreage has a minimum of \$250 per acre in expenses to restore the area.

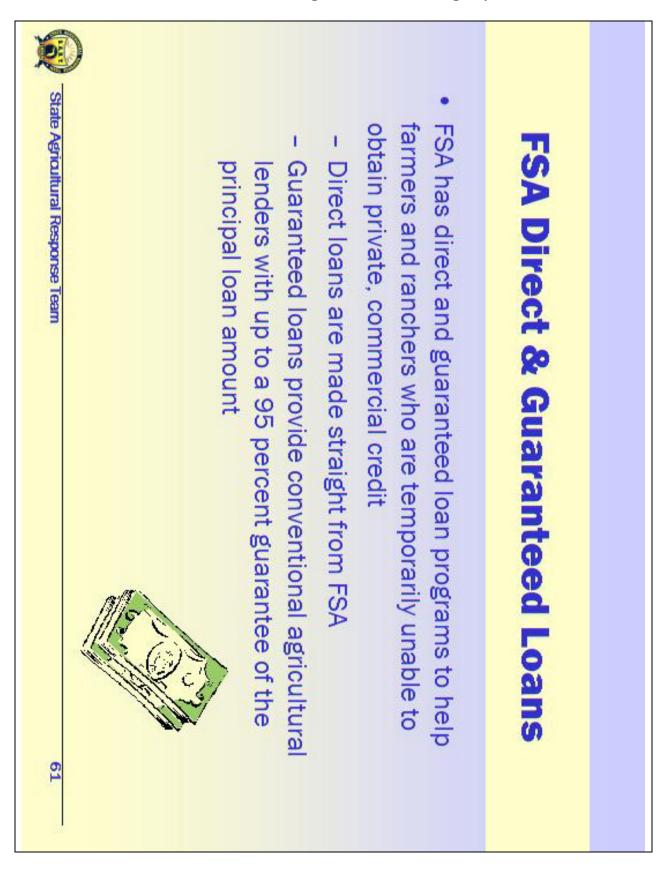
actual dollar value of inventory lost and a flat rate of \$250 per Disaster Assistance Program (NAP), payment is 25% of the For those covered by insurance or the Non-Insured Crop eligible acre for clean-up.





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Farm Loans

- Each year, loan funds are set aside for beginning farmers and ranchers and for minority or socially disadvantaged producers
- FSA also offers loans to young people through its Youth Loan program
- Applicants must be between 10 and 20 years old
- Must have a supervisor overseeing the farm project
- Each loan program has eligibility requirements that applicants must meet to receive an FSA loan



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Additional sources of information and support

- US Department of Agriculture (www.usda.gov)
- Farm Service Agency home page (www.fsa.usda.gov)
- Agricultural Marketing Service (www.ams.usda.gov)
- Food & Nutrition Service (www.fns.usda.gov/fns/default.htm)
- Commodity Credit Corp. (www.fsa.usda.gov/ccc/default.htm)
- Foreign Agricultural Service (www.fas.usda.gov)
- Natural Resources Conservation Service (www.nrcs.usda.gov)
- The FSA Strategic Plan is available in its entirety at the following web address (www.fsa.usda.gov/pas/stratplans/fsastrat.pdf)



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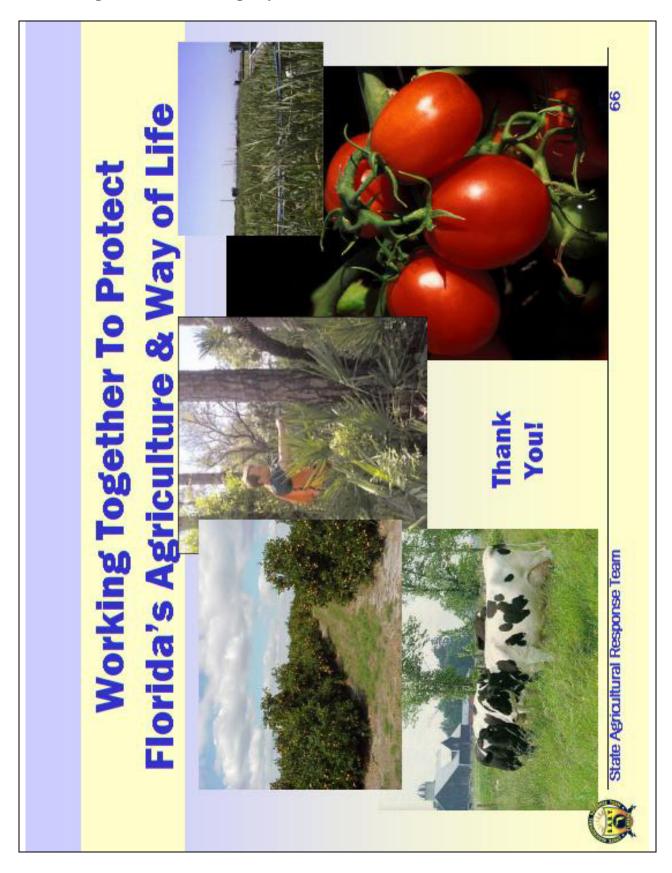


Additional sources of information and support

- Kansas City Commodity Office (KCCO)
- PO Box 419205, Kansas City, Missouri 64141-6205
- Warehouse and Inventory Division, Farm Service Agency For more information on CCC-owned commodities contact
- 1400 Independence Avenue, SW, Washington, DC 20250-0553
- For more information on the Farm Service Agency and its Florida State Farm Service Agency Office programs, contact your local agency or the state office for Florida:

PO Box 141030, Gainesville, Florida 34614-1030

Phone: (352) 379-4500/Fax: (352) 379-4580





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Now, Test Your Knowledge and Awareness (1 of 5)

- which federal agency? (Select the best answer) The Farm Service Agency is part of
- Department of the Interior
- **US Postal Service**
- O Agricultural Conservation and Stabilization Service
- (Fill in the blank) Local Farm Service Agency programs are Department of Agriculture

administered with the assistance of a locally elected

2

eligible farmers when a commodity's effective price is below the target price Payments program, counter-cyclical payments are made to True or False) In the FSA's Direct and Counter Cyclical

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Now, Test Your Knowledge and Awareness (2 of 5)

- 4. Which statement below best mirrors the vision of FSA?
- a. It is dedicated to maximizing farm profits.
- environmentally sound future for American agriculture. It is dedicated to achieving an economically and 0
- It is mandated by the US Congress to ensure that loans are available to troubled agricultural sectors at home and abroad. 0
- Recognizing the inherent incompatibility of environmental and agricultural objectives, it seeks to promote farm diversification in an era of rapid climate change. 0



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Now, Test Your Knowledge and Awareness (3 of 5)

- 5. (Circle one) Which of the below is NOT one of the FSA's Four Goals?
- provide an economic safety net through farm income support
- O achieve a high level of stewardship of soil, water, air and environment wildlife resources while protecting the human and natura
- 9 successful farmers and ranchers through farm loans assist eligible individuals and families in becoming
- 0 improve the effectiveness and efficiency of commodity programs to support domestic and international food assistance acquisition, procurement, storage and distribution activities
- all of the above are stated goals of the FSA

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Now, Test Your Knowledge and Awareness (4 of 5)

- fragile farmland by encouraging farmers to stop growing crops on The Conservation Reserve program protects highly erodable and environmentally sensitive lands 6. (True or False)
- 7. (Fill in the blank) Following a hurricane, Florida vegetable, fruit and tropical fruit producers may be eligible for special assistance if % loss in production of plant they have sustained population.
- 8. (True or False) Under United Nations auspices, the FSA has a major relief effort underway at this time in the nation of North Korea.
- Congress has specifically excluded from all USDA-FSA programs. 9. (True or False) Beefalo is a semi-mythical creature that the US





Now, Test Your Knowledge and Awareness (5 of 5)

- With a central office located in this central US city (True or False) Under FSA guidelines, it is a farmer or rancher's commitments disposition of food commodities to fulfill USDA program the FSA is responsible for the procurement, transportation and
- authority to make direct and guaranteed loans to help producers who are temporarily unable to obtain private, commercial credit responsibility to arrange private lines of credit. The FSA has no
- (Circle one) The following is NOT one of the new USDA-FSA hurricane-related programs
- a. Livestock b. Feed c. Hurricane d. Tree e. Aquaculture f. Defense g. All are user-eligible programs
- Bonus Question. If I wanted to be involved in any of the FSA programs my first contact would be

State Agricultural Response Team

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Test Answer Key

- (d) Department of Agriculture
- County Committee N
 - True 0
- (b) It is dedicated to achieving an economically and environmentally sound future for American agriculture.
- (e) All of the above are stated goals of the FSA 2
- True
- 50 0 7 8
- False
- False
- Kansas City, Missouri
- False
- (g) All are user-eligible programs

Bonus: County Committee. Also acceptable County Extension Office.





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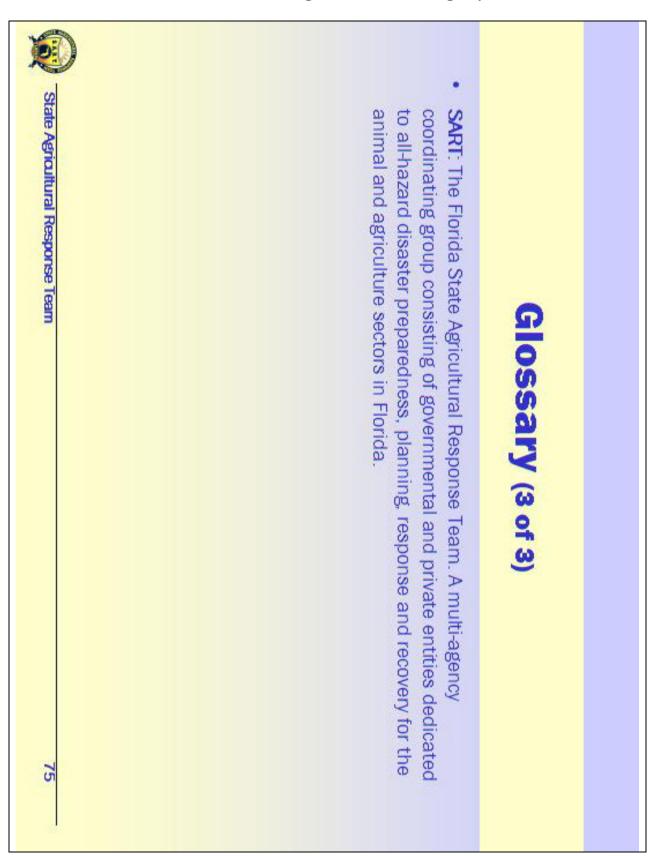
Glossary (1 of 3)

- Aquaculture: The controlled cultivation and harvest of aquatic plants or
- the American buffalo (bison); yields leaner beef than conventional breeds. Beefalo: A hardy breed of cattle resulting from crossing domestic cattle with animals as a crop (eg, edible marine algae, clams, oysters, and salmon)
- more than 90 percent of total United States production. Burley tobacco: An air-cured cigarette tobacco with production centered in Kentucky. Burley and flue-cured tobacco (tobacco cured by heat) account for
- subject to seizure in the event of default Collateral: Assets pledged by a borrower to secure a loan or other credit, and
- subject to supply and demand buy or sell, usually through futures contracts. The price of the commodity is interchangeable with another product of the same type, and which investors Commodity. A physical substance, such as food, grains and metals, which is
- their use. as to preserve their viability, to eliminate waste or maximize the efficiency of Conservation: The management of resources such as water, air or wildlife so

Glossary (2 of 3)

- County committee: Eligible participants in FSA programs nominate and elect 3-5 peer representatives to serve on county committees. (A minority advisor producers.) Committees give local producers a voice in how FSA programs may be appointed to reflect the concerns/views of socially disadvantaged operate in their communities. Committees administer programs, provide policy guidance and determine who is eligible for program benefits
- arge, cabbage-like leaves, cultivated for their seeds, which yield a useful oil. Crambe: An annual plant of the genus Crambe in the mustard family with
- Indemnity. An expressed or implied contract to compensate an individual for oss or damage; for example, an insurance policy
- Longan: An evergreen tree of southeastern Asia to Australia that is grown primarily for its sweet edible fruit.
- Plasti-culture: Any production practice for fruits or vegetables where the soil has been bedded, fumigated, fertilized, irrigated with drip tape or another nstalled irrigation system and covered with plastic mulch
- Riparian: Of or relating to the banks of a river or stream.





Introducing the Farm Service Agency Farm Service Agency." Thank you for attending and for That concludes our presentation on "Introducing the State Agricultural Response Team participating!

PowerPoint Slides - Handout Pages

The "Introducing the Farm Service Agency" PowerPoint slides are reproduced on the following pages at reduced size with space for participant notes.

Also included in the participant workbook for the "Introducing the Farm Service Agency" available on the SART web site at:

<www.flsart.org>



Introducing the Farm Service Agency

Introducing the Farm Service Agency

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- National Geographic Society



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Learning Objectives

At the end of this training module, participants will be able to:

- List and describe the characteristics and organizational structure of the Farm Service Agency.
- Discuss the vision, mission and goals of the Farm Service Agency.
- Discuss the various types of programs administered solely, or jointly, by the Farm Service Agency.
- Identify key resources available for more information.



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What is the Farm Service Agency?

- FSA is a federal agency that operates within the US Department of Agriculture.
 FSA headquarters is located in Washington, D.C.
- Most of the agency's staff is located in offices throughout the US and American trust territories
- FSA's 15,000-plus employees are based in 2,400 local USDA Service Centers around the US and Puerto Rico
 - "Grass roots" approach to service allows staffers to work one-on-one with producers
- Program technicians, loan officers, administrative professionals and many others are employed to carry out FSA services

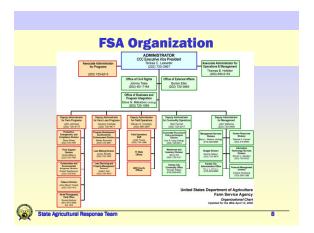


FSA's Mission

To ensure the well-being of American agriculture and the American public through efficient and equitable administration of agricultural commodity, farm loan, conservation, environmental, emergency assistance, and domestic and international food assistance programs.



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FSA's County Committees

- One of the unique features of FSA is its **County** Committee system

 - Gives local producers a say in how programs are administered
 Farmers and ranchers eligible for FSA programs nominate and elect 3 5 representatives to serve on local County Committees
 - Committees administer programs, provide policy guidance and determine who meets eligibility requirements for program benefits
 - There are provisions for appointing a minority advisor who reflects the concerns and views of socially disadvantaged producers











Farm Loan Goals



FSA assists eligible individuals and families in becoming successful farmers and ranchers through farm loans



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Commodity Operations Goals

Improve the effectiveness and efficiency of FSA's commodity acquisition, procurement, storage and distribution activities to support domestic and international food assistance programs, and administer the US Warehouse Act (USWA).







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Management Initiatives to Accomplish FSA Goals

- Providing fair and equal treatment in employment and the delivery of programs.
- Enhancing the ability of small, limited resource and socially disadvantaged family farmers and ranchers to operate successfully.
- Maintaining a high level of customer satisfaction with delivery of program operations.

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Management Initiatives to Accomplish FSA Goals

- Developing effective administrative management policies and procedures, and information technology processes for Farm and Foreign Agricultural Services (FFAS), taking into consideration the unique operating requirements of each agency.
- Achieving greater cost and operating efficiencies in the delivery of FFAS programs by implementing integrated administrative management systems and reinventing/reengineering FFAS business processes and systems.
- · Ensuring producer compliance with program provisions.



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Farm Service Agency Programs

- Direct and Counter-cyclical Payment program
- Marketing Assistance Loans
- Loan Deficiency Payments
- Conservation Reserve Program
 - Conservation Reserve Enhancement Program
- Disaster assistance
- · Farm loans
- · Commodity operations
 - Domestic and foreign food assistance



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FSA Programs by Commodity

Grains, Oilseeds and Cotton - Direct and Counter-Cyclical

- Payment Program
- Hard White Wheat Incentive Payment Program
- Extra Long Staple Cotton
- Competitiveness Program
- Peanut Quota Holder Compensation Program Marketing Assistance Loan and Loan Deficiency Payment
- **Programs** Payments in Lieu of Loan Deficiency Payments for Grazed Acreage Program
- High Moisture Corn and Sorghum Recourse Loan Program
- Seed Cotton Recourse Loan Program



FSA Programs by Commodity

- Dairy
 - Dairy Price Support Program
 - Milk Income Loss Contract Program
 - Dairy Indemnity Payment Program

• Sugar

- Sugar Allotment Program
- Sugar Loan Program
- Tobacco
 - Tobacco Program (burley, flue-cured and other tobaccos)





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The Commodity Credit Corporation

Many FSA programs are funded through the **Commodity Credit** Corporation (CCC), a unique governmentowned and operated corporation established in 1933 to stabilize, support and protect farm income and prices.





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The Commodity Credit Corporation

- Managed by a Board of Directors
 - Chaired by the Secretary of Agriculture
 - Seven members, plus the Secretary of Agriculture
- \$30 billion borrowing authority with the US Treasury to finance its programs
- Programs are carried out through the personnel and facilities of the FSA
 - Some programs are jointly administered with other agencies



Commodity Operations

- FSA Commodity Operations division ensures:
 - A uniform regulatory system for storage of agricultural products
 - The timely provision of high-quality food products to domestic and international food assistance and development programs
 - Achievement of domestic farm program
- FSA acquires and disposes of commodities pledged as collateral for marketing assistance loans, such as wheat, corn, soybeans, oilseeds and other commodities



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Commodity Operations Domestic Food Assistance

- Donates commodities to federal, state, and private agencies for food programs throughout the US
- · Programs include:
 - National School Lunch Program
 - Commodity Supplemental Food Program
 - Emergency Food Assistance Program
 - ... and programs that provide food for summer camps for kids, needy persons, and others
- · Donation examples: Armed services and veteran's hospitals, correctional institutions, migratory waterfowl and/or domestic wildlife



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Commodity Operations Foreign Food Assistance

- Foreign food assistance is administered jointly with the USDA Foreign Agricultural Service, Food and Nutrition Service and other institutions
- FSA purchases and delivers agricultural commodities to people in Mongolia, Iraq, and many other foreign countries under federal food aid programs
- Voluntary agencies like the World Food Program and the Agency for International Development assist with the distribution of



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Commodity Operations

- FSA Commodity Operations:
 - Market and manage CCC inventories such as cotton, grain, oilseeds, nonfat dry milk, and rice, regularly analyzing the location, condition and quantity of these stocks
 - Administer the contracting for storage under the Uniform Grain and Rice Storage Agreement, the Cotton Storage Agreement and the Processed Commodity Storage Agreement
 - Administer the U.S. Warehouse Act



Commodity Operations

- Through Commodity Operations, CCC can store purchased food in more than 10,000 approved commercial warehouses across the nation
 - Commodity inventories are not simply kept in storage
 - FSA employees work to return stored commodities to private trade channels
- The Kansas City Commodity Office (KCCO) is responsible for these tasks



Commodity Operations

- At the KCCO, FSA merchandisers regularly sell and swap CCC inventories, using commercial telecommunications trading networks
- Commodity Operations employs more than 300 people
 - About 50 in the Washington, D.C., headquarters
 - Approximately 55 additional field warehouse examiners across the US



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Additional Programs

- Bio-energy Program
- Storage
- On-Farm Storage Facility Loans
- Sugar Storage Facility Loans
 Foreign Investment Ownership Disclosure
 - Agriculture Foreign Investment Disclosure Program
- Commodity Warehousing
- Commodity Warehouse Oversight Program
 Food Assistance/Exports
- - Trade Adjustment for Farmers (with Foreign Agricultural Service)

 - Market Access Program (MAP) Export Enhancement Program (EEP)
 - Dairy Export Incentive Program



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Direct and Counter-Cyclical Payment Program

- The Farm Security and Rural Investment Act of 2002 replaced production flexibility contract payments (created under the 1996 act) with direct payments and added new counter-cyclical payments for 2002-07 crops
 - Both payments are based on historical acreage bases and payment yields, not current production
- Direct payments are issued regardless of market prices
- Payment rates are set in the 2002 Act
 - For each commodity, the direct payment equals the direct payment rate *times* 85 percent of the farm's base acreage *times* the farm's direct payment yield



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Direct and Counter-Cyclical Payment Program

- Counter-cyclical payments are made when a commodity's effective price is below the target price
 - The effective price is the direct payment rate plus the higher of: (1) the national average market price received by producers during the marketing year or (2) the national loan rate for the commodity
 - Target prices are set in the 2002 act
- The DCP program is available on-line
 - Submit contracts, assign crop shares and choose payment options, among other functions



Direct and Counter-Cyclical Payment Program

Producers of the following commodities are eligible for direct and counter-cyclical payments:

Wheat
Corn
Barley
Grain sorghum
Oats

Upland cotton
Rice
Soybeans
Other oilseeds
Peanuts





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Marketing Assistance Loans and Loan Deficiency Payments

- Non-recourse marketing assistance loans help an eligible producer pay bills when they come due without having to sell the harvested crop at a time of year when prices tend to be lowest
 - When market conditions may be more favorable, a producer may sell the crop and repay the loan with the proceeds of the sale
- Non-recourse marketing assistance loans give producers the option of delivering to CCC the quantity of a commodity pledged as collateral for a loan as full payment for that loan at loan maturity



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Marketing Assistance Loans and Loan Deficiency Payments

- In lieu of securing a non-recourse marketing assistance loan from CCC, a producer may be eligible for an LDP
- This payment equals the amount by which the applicable loan rate where the commodity is stored exceeds the alternative loan repayment rate for the respective commodity
 - The LDP equals the LDP rate times the quantity of the commodity for which the LDP is requested
- Market loan repayment and LDP provisions are intended to prevent delivery of loan collateral to CCC
- The LDP program is available online
 - Submit an application and set up payment options, among other functions



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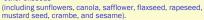
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Marketing Assistance Loans and Loan Deficiency Payments On behalf of the CCC, FSA administers non-recourse marketing assistance loans and loan deficiency payments (LDPs) for: • wheat

- grain sorghum
- barley
- oats
- soybeans
- rice







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The Conservation Reserve Program

- Nation's largest private lands conservation program
- Protects fragile farmland by encouraging farmers to stop
- growing crops on highly erodible and environmentally sensitive lands
- · Payments for voluntarily keeping land idle for ten- to fifteen-year periods





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The Conservation Reserve Program

- Producers submit bids for CRP contracts and these are ranked according to an Environmental Benefits Index
 - Bids are accepted according to their ranking
- · Farmers plant selected lands in grass or trees and receive annual rental payments for the term of a multi-
- Nationwide, up to 39.2 million acres may be enrolled in CRP at any one time



The Conservation Reserve Program

- Producers enroll lands in the CRP through a continuous sign-up: unlike a specified sign-up, this is not subject to a bidding process
- · Sign-up provides management flexibility
 - Farmers and ranchers can implement certain highpriority conservation practices on eligible land such as riparian buffers, filter strips, and shelterbelts
- · Offers are automatically accepted
- The 39.2 million-acre cap on CRP enrollment includes continuous sign-up



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The Conservation Reserve Enhancement Program

 Combines the CRP with the efforts of states and other entities to encourage farmers and ranchers to install specific conservation practices that meet environmental objectives



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Other Conservation Programs

- Tree Assistance Program (when funded)
- Emergency Conservation Program
- In cooperation with NRCS
 - Environmental Quality Incentives Program
 - Grassland Reserve Program
 - Wetlands Reserve





Disaster Assistance

- FSA provides disaster assistance to help farmers and ranchers recover losses from drought, flood, freeze, tornadoes and other calamities
 - Emergency Conservation Program
 - Non-insured Crop Disaster Assistance Program
 - Emergency Loan assistance
- Other programs offered when funded
 - Crop Disaster Program
 - Livestock Assistance Program



Disaster Assistance

- Emergency Conservation Program
 - Emergency funding for farmers and ranchers to:
 - Rehabilitate farmland damaged by natural
 - Carry out emergency water conservation measures during periods of severe drought
- Non-insured Crop Disaster Assistance Program
 - Federally funded program provides assistance to eligible producers affected by natural disasters
 - - Non-insurable crop losses
 - Planting prevented by disasters



Disaster Assistance

- Emergency Loan Assistance: Low-interest loans to help cover production and physical losses in counties declared disaster areas by the president or designated by the Secretary of Agriculture or FSA Administrator
- Emergency haying and grazing of certain CRP acreage may be made available in areas suffering from weather-related natural disaster





Disaster Assistance

Emergency loan funds may be used to:

- restore or replace essential
- pay all or part of production costs associated with the disaster year,
- pay essential family living expenses and
- reorganize the farming operation and refinance certain





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New USDA Farm Service Agency Disaster Information





Hurricanes: The Good News

Four new USDA Programs

- \$250 million is available for 261 designated counties due to 2005 hurricanes in Alabama, Florida, Louisiana, Mississippi, North Carolina and Texas
- Livestock Indemnity
- Feed Indemnity
- Hurricane Indemnity
- Tree Indemnity





The USDA/FSA **Livestock Indemnity Program**

- Payments to eligible livestock owners and contract growers whose livestock died as a result of the hurricanes
 - Owners: 75% of fair market value
 - Contract Growers: 75% of average sustained income loss





The USDA/FSA **Feed Indemnity Program**

- Payments to eligible livestock owners and cash lessees who suffered feed losses or increased costs as a result of the hurricanes
- Eligible for beefalo, beef cattle, buffalo, dairy cattle, deer, goats, horses and sheep
- Not eligible: livestock for other than commercial use as part of a farming operation and some non-adult animals



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The USDA/FSA **Feed Indemnity Program**







Jackalope



The USDA/FSA **Feed Indemnity Program**

Program payment rates

- Adult beef cattle, buffalo and beefalo (cows and bulls) \$6.80
- Adult dairy cattle (cows and bulls) \$17.69
- Non-adult beef, dairy, buffalo, beefalo (500 lbs or more) — \$5.10
- Deer (all) \$1.70
- Goats (all) \$1.70
- Horses (all) \$5.04
- Sheep (all) \$1.70





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The USDA/FSA **Hurricane Indemnity Program**

- The Hurricane Indemnity Program (HIP) provides payments to eligible producers who experienced crop losses and received either a:
 - 1. A 2005 or 2006 USDA Risk Management Agency Federal Crop Insurance Corporation crop insurance indemnity payment for insured crops; or
 - 2. A 2005 or 2006 FSA Non-insured Crop Disaster Assistance Program (NAP) payment.
- HIP benefits equal 30% of the crop insurance indemnity or 30% of the NAP payment and cannot exceed 95 percent of the value of the expected crop returns had there not been a disaster.



NSSL Photo
The USDA/FSA
Hurricane Indemnity Program
The crop loss for HIP must have been due to:
 excessive moisture, precipitation, and/or rain
• flooding
excessive wind
• cyclone
• tornado
hurricane of tropical depression
• storm surge; and /or
salinity due to salt water intrusion.

The USDA/FSA **Tree Indemnity Program**

· TIP provides payments to eligible owners of commercially grown fruit trees, nut trees, bushes and vines that produce an annual crop and were lost or damaged as a result of 2005 hurricanes.

Loss or damage must have occurred in one of 261 counties designated as primary presidential or secretarial disaster because of 2005 hurricanes, and it does not include contiguous counties (undesignated counties that touch the primary county).



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The USDA/FSA **Tree Indemnity Program**

To be considered eligible, applicants must:

- bear financial responsibility for the fruit trees, bushes, and/or vines;
- have suffered a crop loss or damage directly resulting from an eligible hurricane in an eligible county during the eligible time period; and
- have incurred costs of at least \$90 per acre for replanting, rehabilitation, cleanup, or debris removal (excluding crop production).

Payments for TIP will be based on the crop's proximity to the hurricanes using established tiers that reflect the severity of damage from least to $% \left(1\right) =\left(1\right) \left(1\right) +\left(1\right) \left(1\right) \left(1\right) +\left(1\right) \left(1\right$ most severe.

Timber, nursery inventory and container-grown fruit tree losses are not eligible for TIP assistance.

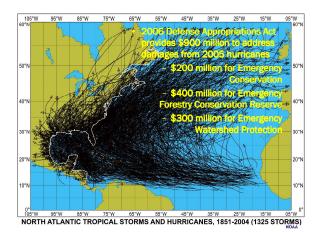


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The USDA/FSA **Aquaculture Grants**

- \$25 million block grants to states \$3.6 million in Florida
- Distribution determined by state governors
- To be an eligible producer:
 - Raise species in a controlled environment as part of a farming operation
 - has a risk in the production of the aquaculture species
 - suffered an aquaculture loss as a direct result of an eligible hurricane in an eligible county during and applicable time period
 - has not received aid under other disaster programs for the same aquaculture loss





Florida-Specific 2004 Programs



Disaster Assistance 2004 Hurricane Season Florida Citrus Disaster Program Reimbursement on a per acre basis with four tiers of payment Tier 1. 75% or more crop loss and associated tree damage Tier 2: 50% or greater crop loss and associated tree damage Tier 3: 35 - 49% crop loss and associated tree damage Tier 4: 15% or greater tree damage, \$0 for production loss

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Disaster Assistance 2004 Hurricane Season

 Florida Vegetable, Fruit and Tropical Fruit Disaster Program Eligible acres have minimum 50% loss in production or plant population with five categories of payment





Disaster Assistance 2004 Hurricane Season

- Florida Vegetable, Fruit and Tropical Fruit Disaster Program
- Requires certification of 50% loss plasti-culture, tropical fruit and vegetables.

 Plasti-culture: production practice for fruits or vegetables where the soil has been bedded, fumigated, fertilized, irrigated with drip tape or another installed irrigation system and covered with plastic much.

 Tropical fruit includes carambola, longan, lychee and mango crops.

 - Vegetables cover all other vegetables produced in a way other than in plasti-culture.
- There are five farming practice categories for payments:

 - There are five farming practice categories for payments:

 Practice 1: Plasti-culture with plants, 50% or more of plastic

 Practice 2: Plasti-culture with plants, 50% or more of plastic OR plasti-culture with plants with 50% or more loss in plant production with no replants

 Practice 3: Double-drop plasti-culture without plants with 50% loss of plastic OR new plasti-culture with 50% loss of plants and replants

 Practice 4: 50% loss in plant population for conventional row-cropped practices

 Practice 5: Tropical fruit with 50% or greater production loss in Lee County or Citrus Bands I and II



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Disaster Assistance 2004 Hurricane Season

• The Florida Nursery Crop Disaster Program

Pays producers whose eligible acreage has a minimum of \$250 per acre in expenses to restore the area.

For those covered by insurance or the Non-Insured Crop Disaster Assistance Program (NAP), payment is 25% of the actual dollar value of inventory lost and a flat rate of \$250 per eligible acre for clean-up.







FSA Direct & Guaranteed Loans

- FSA has direct and guaranteed loan programs to help farmers and ranchers who are temporarily unable to obtain private, commercial credit
 - Direct loans are made straight from FSA
 - Guaranteed loans provide conventional agricultural lenders with up to a 95 percent guarantee of the principal loan amount



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Farm Loans

- Each year, loan funds are set aside for beginning farmers and ranchers and for minority or socially disadvantaged producers
- FSA also offers loans to young people through its Youth Loan program
 - Applicants must be between 10 and 20 years old
 - Must have a supervisor overseeing the farm project
- Each loan program has eligibility requirements that applicants must meet to receive an FSA loan



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Other Loan Programs

- Emergency Loans
- Direct Farm Ownership Loans
- Guaranteed Farm Ownership Loans
- Direct Operating Loans
- Boll Weevil Eradication Loans
- Indian Tribal Land Acquisitions



The infamous boll weevil



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Additional sources of information and support

- US Department of Agriculture (www.usda.gov)
- Farm Service Agency home page (www.fsa.usda.gov)
- Agricultural Marketing Service (www.ams.usda.gov)
- Food & Nutrition Service (www.fns.usda.gov/fns/default.htm)
- Commodity Credit Corp. (www.fsa.usda.gov/ccc/default.htm)
- Foreign Agricultural Service (www.fas.usda.gov)
- Natural Resources Conservation Service (www.nrcs.usda.gov)
- The FSA Strategic Plan is available in its entirety at the following web address (www.fsa.usda.gov/pas/stratplans/fsastrat.pdf)



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Additional sources of information and support

- Kansas City Commodity Office (KCCO) PO Box 419205, Kansas City, Missouri 64141-6205
- . For more information on CCC-owned commodities contact Warehouse and Inventory Division, Farm Service Agency 1400 Independence Avenue, SW, Washington, DC 20250-0553
- For more information on the Farm Service Agency and its programs, contact your local agency or the state office for Florida: Florida State Farm Service Agency Office PO Box 141030, Gainesville, Florida 34614-1030 Phone: (352) 379-4500/Fax: (352) 379-4580



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Working Together To Protect Florida's Agriculture & Way of Life Thank You! State Agricultural Response Team

Now, Test Your Knowledge and Awareness (1 of 5)

- (Select the best answer) The Farm Service Agency is part of which federal agency?
 - a. Department of the Interior
 - b. US Postal Service
 - Agricultural Conservation and Stabilization Service
- d. Department of Agriculture
- (Fill in the blank) Local Farm Service Agency programs are administered with the assistance of a locally elected
- (True or False) _____ In the FSA's Direct and Counter Cyclical Payments program, counter-cyclical payments are made to eligible farmers when a commodity's effective price is below the target price.



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Now, Test Your Knowledge and Awareness (2 of 5)

- 4. Which statement below best mirrors the vision of FSA?
 - a. It is dedicated to maximizing farm profits.
 - b. It is dedicated to achieving an economically and environmentally sound future for American agriculture.
 - It is mandated by the US Congress to ensure that loans are available to troubled agricultural sectors at home and
 - d. Recognizing the inherent incompatibility of environmental and agricultural objectives, it seeks to promote farm diversification in an era of rapid climate change.



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Now, Test Your Knowledge and Awareness (3 of 5)

5. (Circle one) Which of the below is NOT one of the FSA's Four Goals?

- a. provide an economic safety net through farm income support
- b. achieve a high level of stewardship of soil, water, air and wildlife resources while protecting the human and natural environment
- c. assist eligible individuals and families in becoming successful farmers and ranchers through farm loans
- improve the effectiveness and efficiency of commodity acquisition, procurement, storage and distribution activities to support domestic and international food assistance
- e. all of the above are stated goals of the FSA



Now, Test Your Knowledge and Awareness (4 of 5)

- _ The Conservation Reserve program protects fragile farmland by encouraging farmers to stop growing crops on $% \left\{ 1,2,\ldots ,n\right\}$ highly erodable and environmentally sensitive lands
- 7. (Fill in the blank) Following a hurricane, Florida vegetable, fruit and tropical fruit producers may be eligible for special assistance if they have sustained _____% loss in production of plant population.
- 8. (True or False) Under United Nations auspices, the FSA has a major relief effort underway at this time in the nation of North Korea.
- 9. (True or False) Beefalo is a semi-mythical creature that the $\ensuremath{\mathsf{US}}$ Congress has specifically excluded from all USDA-FSA programs.



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Now, Test Your Knowledge and Awareness (5 of 5)

- 10. With a central office located in this central US city, _____ the FSA is responsible for the procurement, transportation and disposition of food commodities to fulfill USDA program commitments.
- 11. (True or False) Under FSA guidelines, it is a farmer or rancher's responsibility to arrange private lines of credit. The FSA has no authority to make direct and guaranteed loans to help producers who are temporarily unable to obtain private, commercial credit.
- 12. (Circle one) The following is *NOT* one of the new USDA-FSA hurricane-related programs:
 - a. Livestock b. Feed c. Hurricane d. Tree e. Aquaculture
 - f. Defense g. All are user-eligible programs

Bonus Question. If I wanted to be involved in any of the FSA programs, my first contact would be __



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Test Answer Key

- (d) Department of Agriculture

- (b) It is dedicated to achieving an economically and environmentally sound future for American agriculture.
- (e) All of the above are stated goals of the FSA.
- 50 False
- 10. Kansas City, Missouri11. False
- (g) All are user-eligible programs

Bonus: County Committee. Also acceptable County Extension Office.



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Glossary (1 of 3)

- Aquaculture: The controlled cultivation and harvest of aquatic plants or animals as a crop (eg. edible marine algae, clams, oysters, and salmon).

 Beefalo: A hardy breed of cattle resulting from crossing domestic cattle with the American buffalo (bison); yields leaner beef than conventional breeds.

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 Collateral: Assets pledged by a porrower to secure a loan or other credit and
- Collateral: Assets pledged by a borrower to secure a loan or other credit, and subject to seizure in the event of default.
- Commodity: A physical substance, such as food, grains and metals, which is interchangeable with another product of the same type, and which investors buy or sell, usually through futures contracts. The price of the commodity is subject to supply and demand.
- Conservation: The management of resources such as water, air or wildlife so as to preserve their viability, to eliminate waste or maximize the efficiency of their use.



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Glossary (2 of 3)

- County committee: Eligible participants in FSA programs nominate and elect 3-5 peer representatives to serve on county committees. (A minority advisor may be appointed to reflect the concerns/views of socially disadvantaged producers.) Committees give local producers a voice in how FSA programs operate in their communities. Committees administer programs, provide policy guidance and determine who is eligible for program benefits.
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- primarily for its sweet edible fruit.

 Plasti-culture: Any production practice for fruits or vegetables where the soil has been bedded, fumigated, fertilized, irrigated with drip tape or another installed irrigation system and covered with plastic mulch

 Riparian: Of or relating to the banks of a river or stream.



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Glossary (3 of 3)

 SART: The Florida State Agricultural Response Team. A multi-agency coordinating group consisting of governmental and private entities dedicated to all-hazard disaster preparedness, planning, response and recovery for the animal and agriculture sectors in Florida.

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