

**OREGON TECHNICAL
ADVISORY COMMITTEE**

October 24, 2011

Red Lion Hotel – Salem, OR






FSA in Oregon

FSA Farm Service Agency

FSA Objectives

- Supporting productive farms & ranches
- Supporting secure & affordable food, fiber & fuel
- Conserving natural resources & enhancing the environment

Farm Programs

Food Security Begins in Rural America...

NRCS, FSA and other federal, state and local agencies

- Farm Programs provide a variety of services and support to help farmers and ranchers succeed.
- Farm Programs include:
 - Conservation Programs
 - Conservation Programs
 - Conservation Programs
 - Conservation Programs

Farm Loan Programs

Helping farmers and ranchers succeed

- Farm Loan Programs provide a variety of services and support to help farmers and ranchers succeed.
- Farm Loan Programs include:
 - Farm Loan Programs
 - Farm Loan Programs
 - Farm Loan Programs
 - Farm Loan Programs

Community Operators

Helping communities succeed

- Community Operators provide a variety of services and support to help communities succeed.
- Community Operators include:
 - Community Operators
 - Community Operators
 - Community Operators
 - Community Operators




www.usda.fsa.gov

FSA's Major Mission Areas



- Farm Programs



- Farm Loan Programs



- Commodity Operations



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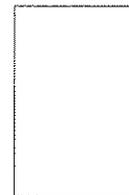
Oregon State FSA Committee



Jason Smith
Member



Sam Asai
Chair



Vacancy



Bob VanderZanden
Member



Vern Fredrickson
Member



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FSA State Committee

- 3 to 5 Members, 1 Chairperson
 - ◆ Terms thru Dec. 31, or when successor appointed
- Work with State Executive Director
 - ◆ But subject to direction & supervision of the FSA Deputy Administrator for Field Operations
- Responsibilities in 4 major areas
 - ◆ FSA & CCC commodity & conservation programs
 - ◆ County Committee (COC) operations
 - ◆ Authorized policy determinations
 - ◆ Knowledge base and source of information





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Programmatic Responsibilities

- Conservation
 - ◆ Conservation Reserve Program (CRP)
 - ◆ Conservation Reserve Enhancement Program (CREP)
- Price Support
 - ◆ Average Crop Revenue Election (ACRE) Program
 - ◆ Direct and Counter-cyclical Program (DCP)
- Noninsured Assistance Program (NAP)
- Related Risk Management Programs
 - ◆ Supplemental Revenue Assistance (SURE) Program
 - ◆ Emergency Conservation Program (ECP)
- Others as assigned



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Operational Responsibilities



- Advisor to SED, as necessary
- General oversight of:
 - ◆ FSA County Committees
 - ◆ FSA County Offices – (25 Offices ~ 100 Employees)
- Take corrective action if County Committee or employee of County Committee fails to:
 - ◆ Make program accessible & available
 - ◆ Follow program regulations & directives
 - ◆ Provide time and reasonable service



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Policy Determinations



- In conjunction with the State Executive Director, determine and advise County Committees of applicable program and administrative policies as authorized by:
 - ◆ Applicable regulations
 - ◆ Instructions
 - ◆ Procedures

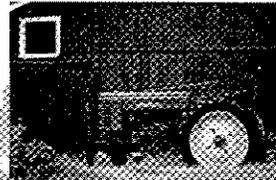


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Informational Responsibilities



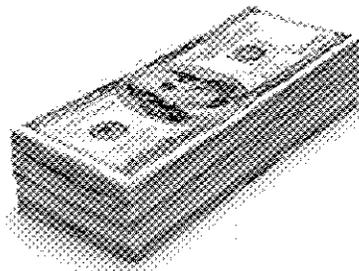
- Develop an interest in, and understanding of:
 - ◆ State and other Federal programs
 - ◆ Problems that FSA programs are designed to meet
 - ◆ Problems faced by farmers, ranchers, farm & non-farm groups



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6

FSA Outlays in FY 2010



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10




FSA At Work Across Oregon

- **Commodity & Price Support – \$48.4 Million**
 - ◆ Direct & Counter Cyclical Program (DCP) – \$23.7 M
 - ◆ Loan Deficiency Pmts & Ave Crop Rev Election (ACRE) – \$13.0 M

- **Conservation & Habitat Protection – \$36.9 Mill**
 - ◆ Conservation Reserve Program (CRP) – \$30.4 M
 - ◆ Biomass Crop Assistance Program (BCAP) - \$6.2 M

- **Disaster Assistance – \$30.4 Million**
 - ◆ Supplemental Revenue Assistance Pmts (SURE) - \$28.3 M
 - ◆ Livestock Forage Program (LFP) - \$0.98 M
 - ◆ Non-Insured Assistance Program (NAP) - \$0.54 M

FSA in Oregon 11




FSA At Work Across Oregon

- **Farm Loan Assistance – \$81.9 Million**
 - ◆ Loans made directly by FSA - \$24.4 M
 - About 50% of all direct loan funds have gone to beginning farmers in past 5 years
 - ◆ Loans made by other lenders & Guaranteed by FSA - \$57.5 M

**In addition to the amounts loaned above in FY 2010,
 FSA carries an outstanding loan portfolio of \$220 Million**

- \$91.0 Million in outstanding Direct loans with 777 customers
- \$129.0 Million in outstanding Guaranteed loans with 394 customers

**Overall, A Total of \$191 Million Was Invested
 in Oregon Agriculture During FY 2010**

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Challenges



Budget & Deficit Reduction

■ We Must Address our Deficit Situation

- ◆ Budget and appropriation levels will be reduced – Fact!
 - Question: Do we use an ax or a scalpel to make the cuts?
- ◆ Deficit situation can not be solved with 1 year's reduced appropriation!
 - House & Senate Ag Committees recommended \$23 B in cuts to "Super Committee"

■ Uncertain Continuing Resolution Environment

- ◆ Continuing Resolution reductions are in "discretionary" spending
 - Employee salaries, travel, office supplies, etc. (\$265 M in reductions since FY 2010)
 - Little impact on programmatic funding so far
- ◆ Small discretionary cuts have big impacts on FY 2012 operations
 - Increasingly difficult to absorb reductions in "human capital" alone

■ FY 2012 Ag Appropriations Bill Markup

- ◆ Does treat FSA's agricultural programs respectively well
 - Conservation programs (CRP Re-enrollments) & Direct Payments are targets!



Maintaining Skilled Workforce

- 50% of USDA's Workforce Can Retire in 5 yrs.
- FSA in Oregon is Somewhat Better, **BUT:**
 - ◆ Staff reduction target – From 119 in FY 2010 to 108 by end of FY 2012
 - ◆ Early-Out and Buy-Out options being offered – may come in “waves”
 - ◆ Employees are not in training to fill all positions likely to be vacated
 - ◆ Completion of training lags frequency of openings
- Hiring Restrictions Are In Place
 - ◆ Until “Target FTE Ceiling” is reached, only “hiring from within”
 - ◆ After “Target FTE Ceiling” is reached, can go outside State
 - ◆ FY 2012 Ag Appropriations Bill will establish the “floor” to plan from
 - Plan for the worst, but hope for the best



2012 Farm Bill Uncertainties

- Farm Bill Essentially “Sunsets” Every 4 Years
 - ◆ All programs must be re-authorized
 - ◆ Debate will be extensive and perhaps divisive
- 2008 Farm Bill Programs Very Complex
 - ◆ SURE and ACRE serve as examples
 - ◆ Simplification is major goal of 2012 Farm Bill
- Movement Toward More “Safety Net” Programs
 - ◆ Payment during bad years rather than all years
 - Safety Net protection against going out of business in poor times
 - ◆ Reduce payment limitation to stretch available funds
 - AGI limit \$750,000 & Max individual payment \$30,000
 - Help more people with fewer available dollars during difficult times





Thanks for the Opportunity of Meeting with You



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17

