



Building Rural America
National Association of Credit Specialists
of the
USDA – Farm Service Agency
LEGISLATIVE COMMITTEE

THE LEGISLATIVE COMMITTEE MET AT THE ASTOR CROWNE PLAZA HOTEL IN NEW ORLEANS, LA, ON JUNE 24-26, 2019 TO REVIEW RESOLUTIONS SUBMITTED BY THE MEMBERSHIP.

THE FOLLOWING RESOLUTIONS ARE RECOMMENDED FOR ADOPTION:

Resolution 1

CONCERN: The Beginning Farmer Downpayment Program (BFDP Program) loan limit of \$300,000 did not receive an increase in the 2019 Farm Bill as the Direct Farm Ownership (D-FO) did to \$600,000. The BFDP Program was simply adjusted to \$300,150 to represent 45% of the new \$600,000 D-FO limit.

If a beginning farmer is required to use a regular participation loan to receive the full \$600,000 then they lose the security, interest rate, and equity benefits that the BFDP Program incorporates to help get the farmer started in the first place. This gives non-beginning farmers an advantage over the beginning farmers.

PROPOSED SOLUTION: Make it NACS priority to lobby for the immediate increase of the BFDP loan limit to \$600,000 so that that existing beginning farmers can utilize the full intended benefits of the BFDP Program before their beginning farmer status expires.

Resolution 2

CONCERN: As it stands today, the rules of temporary employment do not allow an employee that previously worked with the agency as a temporary and was later hired as permanent employee to count the temp service time toward their retirement. As an example, my service comp date is April 9, 1997, but my retirement date of service ties back to June 2, 2002, thus costing me lose 5+ years of service time. I know the agency has many employees like myself that this has affected. Employees should be given credit for the actual time that they were employed with the agency, whether it be as a temporary or permanent employee.

PROPOSED SOLUTION: Change the rules of temporary employment to allow employees the opportunity to buy their temp time so that it can be credited toward their retirement. If employees were allowed to make contributions for the temp time worked it would allow employees to retire with the years that they actually worked for the agency and give them the full credit they deserve.

THE FOLLOWING RESOLUTIONS ARE RECOMMENDED FOR NON-ADOPTION:

Resolution 3

CONCERN: By statute FLP may only report losses to FSA (such as a write-down) to commercial credit bureaus since our loans are considered to be for business. Therefore, the loss or delinquency does not get reported to SAMS which means that when that applicant who is a credit risk applies for an SBA loan or an RD loan and/or grant those other government agencies are not be able to see that that applicant has caused previous losses to the government or is in a delinquent status.

PROPOSED SOLUTION: At a minimum FLP should be able to report borrowers that are a credit risk to others or that have caused significant losses to the government to a system that shows up on SAMS so that an individual or business cannot cause multiple losses to different sections of the government before someone finally catches on.

EXPLANATION FOR NON-ADOPTION BY THE COMMITTEE: Although the committee recognizes the importance of this concern, it does not feel that this is a statutory issue. CAIVRS currently offers the ability to search for delinquent federal debt that a potential borrower may have. As it relates to losses to the government, a statute already exists that requires a check of previous losses to the government in order to be potentially be eligible for an FSA loan. The inability or incapability of an Agency to verify other losses to the government outside of their Agency rests on their internal loan making policies and systems to meet that standard, not a change to the statute.

Resolution 4

CONCERN: During the extended furlough FLM's were told that the offices were to be opened for 3 days to process checks and that we had to decide which of my employees to bring back to do this. Then we were told the next day that even if we finished this processing we had to remain open to accept payments and take calls (many of which were from angry and frustrated farmers who weren't worried about making payments, but more worried about when they would get their applications processed). Then on the last day we were told we were going to be brought back full time and they had everyone come in (with less than 24-hour notice) on the 23rd, only to be told we were still waiting for guidance and to not process anything. Then we were told that everyone our supervisors would decide if we could telework but that offices had to be staffed. Then we were told under no circumstances were we allowed to telework.

This whole thing caused a LOT of confusion, frustration, and inter-office resentment between co-workers. If we are all "One USDA" why were FLP workers brought back but FP weren't? Why was it up to the FLM's to have to decide who had to come back without pay and who didn't? Why were we forced to come to work without pay at all when we are not "essential employees".

I understand that our closing put a lot of strain on farmers who rely on our services but going to work isn't free. We had to pay for childcare and gas to come in on those days after not having been paid, not to mention that several people couldn't apply for unemployment or work a temporary job during this time. Back pay does not make up for the stress and does not pay the interest on credit card bills that had to be rolled over to the next month to keep us going.

PROPOSED SOLUTION: I propose that NACS discusses the procedures for a situation like this in the future and looks into the legality of forcing employees back to work without pay when it is not an issue of national security or public health.

EXPLANATION FOR NON-ADOPTION BY THE COMMITTEE: The committee recognizes the serious impacts that a prolonged shutdown can have. The committee also recognizes that shutdowns are a highly political and sensitive issue across all of government. The committee however does not feel like this is a torch that NACS-FSA should carry and/or get involved with beyond voicing our concerns to leadership about the impacts of an extended furlough. The potential costs associated with the retention of legal counsel to review this issue would likely be significant.

Resolution 5

CONCERN: It is getting to be common for FLP offices to only have one FLP-PT. This creates a problem when that PT leaves or retires. There is nobody in the office to train the new PT. The FLM/FLOs may or may not be familiar enough with the details of the PT's job to provide good training and many times the next closest FLP-PT is several counties away.

PROPOSED SOLUTION: Create legislation that provides contract funds to hire retired employees as Technical Service Providers for training purposes

EXPLANATION FOR NON-ADOPTION BY THE COMMITTEE: Contract funds and salary and expense appropriations are incredibly tight and the push for additional ACIF funds in these areas is ongoing. This committee feels though that the best use of any additional resources in those areas would be best served to hire additional full-time staff. In addition, the creation of additional "how-to" online courses are in development by the National Office in order to specifically address this issue of PT training or lack thereof.

Respectfully submitted by the 2018/2019 Legislative Committee:

Ben Herink, Zone B – Chairperson

Brandon Waldron, Zone C

Mary Beth Tomica, Zone C

Dave Bonnett, Zone D – Vice-Chairperson

James Jackson, Zone D