

American Society of Farm Managers and Rural Appraisers

[www.asfmra.org](http://www.asfmra.org)

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### **Very Successful Leadership Institute**

By Dave GaNun, ARA & Dennis Reyman, AFM, ARA Co-chairs of Government Relations Committee

Thirty ASFMRA members as well as Brian Stockman, Stephen Frerichs and a seven person team from Pioneer Hi-Bred International attended the 2010 Leadership Institute (LI) in Washington DC from 9/12-9/16. Like years past, the event was full of informative speakers, interesting DC office visits and lots of good conversation and information sharing. This year the group was based out of the Westin Hotel in Arlington, VA and we got the experience of the DC Metro every day, to and from our visits. We were very thankful for great meeting space in the Farm Credit Council office each day. It was the largest group at LI in years.

Appraisers arrived Sunday and had the day to sight-see and get to know each other at a group dinner that night. On Monday we met with Nancy Lee, a General Attorney from the Office of Chief Council, IRS. Nancy discussed donative value issues as well as the new, proposed, appraiser penalty regulations of the Service.

We then travelled to The Appraisal Foundation and met with Dave Bunton and Paula Seidel Douglas of TAF, Maggie Vosges of AQB and Jim Park of ASB. There was a discussion about the Appraisal Institute terminating their sponsor status with TAF. Dave also told us about the education TAF has been doing with State investigators and about the new Appraisal Practices Board. Maggie discussed current nationwide exam and pass rates as well as communication with colleges and universities regarding appraisal course work and an appraisal related degree. Jim spoke about the new chair of ASB, changes as a result of Dodd/Frank and the continuing resource problems within individual states. Dodd/Frank does allow some federal funds available for State use.

After lunch we met with Rob Aldrich of The Land Trust Alliance and Bill Garber of AI gave us an update on all recent, appraisal related legislation as well as what is to come. We then caught the Metro back to Ballston and had another great, group dinner.

The next morning appraisers met with Chief Appraisers from agencies including Forestry, Department of Interior, US Army Corps of Engineers, and FSA-USDA. Each gave a brief history of their agency and spoke of appraisal needs and requirements. In the afternoon we met with Todd Harper of Congressman Kanjorski's office as well as representatives from ICBA and ABA. We discussed Section 1619 at each stop. ICBA and ABA have previously signed onto a letter favoring appraiser access to the FSA data.

Farm managers arrived by noon on Sunday as well, a change from previous years when arrivals were on Saturday. We traveled by limo van from Reagan Airport to DuPont's Chesapeake Farm near Chestertown MD. We were given a tour of Chesapeake Farm by biologist Mark Connor, then traveled to the farm headquarters of Trey Hill and family. Trey is a young farmer with 12,000 acres of corn, soybeans and wheat on the Delmarva Peninsula. He is an influential spokesman for agricultural and the environmental issues they face in that area. We then traveled to Waterman's Crab House in Rock Hall for a crab and seafood supper where the managers were able to converse further with Mr. Hill on various topics. That evening was spent on Chesapeake Farm.

The next morning, breakfast was served in the main house on the farm which dates back to 1705. A presentation was made by Jason Scott, another young farmer on the peninsula who is also a Pioneer dealer, who informed us on various topics affecting farmers in the area, as well. After that, we traveled by van back to DC and checked into the Westin Hotel. Presentations and discussions were made that afternoon by several from DuPont/Pioneer including Cary Tomlinson (Director of National Accounts), John Soper (VP, Crop Genetics Research & Development) and Dan Dawes (Business Unit Lead US Grains). That evening, the managers were treated to a supper cruise past the monuments along the Potomac River.

Tuesday from 8 a.m. to 4 p.m. was spent in Advocacy & Communications Training provided by Eileen Wixted and John Hibbs of Wixted Pope Nora Thompson & Associates in Des Moines. They were highly effective instructors with an impressive resume. This was an intense and extremely helpful session that not only provided preparation for our Hill visits with Senators and Congressmen, but will be useful in any situation calling for clear, crisp, succinct communication.

That night appraisers and managers got together for dinner at the Westin. Talks were given by Scott Shearer, (DuPont's Governmental Affairs representative), Chris Taylor, (Pioneer's Ag Economist) and a briefing by Stephen Frerichs on the upcoming schedule. Presentation of several ASFMRA membership surveys was made.

Wednesday morning brought us back into the city with visits with American Farm Bureau, the House Ag Committee economist, Senate Ag Committee staffers, and lunch with commodity representatives from Rice, Corn and Soybeans. The economy, budgetary constraints and the upcoming elections were common concerns for all. In the afternoon the attendees met with their house and senate representatives or staffers to brief them about ASFMRA, our 1619 issue and other issues at hand. Many reported promising visits.

We began Thursday with a recap of attendees meetings and discussions of what we had heard and interpreted from conversations with all speakers. Our next meeting was with Jonathan Coppess, Farm Service Agency Administrator. Many in attendance discussed discrepancies between field offices and other concerns. Section 1619 was a topic and the Administrator promised to follow-up with counsel as

well as with ASFMRA. We next met with NRCS staff including our own Chris Greenwalt, ARA, RPRA. We discussed their easement programs and other related topics.

Lunch was at the Longworth building followed by a productive and informative meeting with House Agriculture Committee Chairman Colin Peterson. As in the past, Chairman Peterson was very interested in our concerns, promised more follow-up on Section 1619, and expressed concerns about the next Farm Bill and the directions he would like to see it take. This concluded the LI and we all began our journeys home. All in attendance agreed that this was an excellent number of days in DC and they would highly recommend to others in the society. Mark your calendars for mid-September of 2011!



Pictured above are the Appraisers with David Bunton (right) of the The Appraisal Foundation



Leadership 2010 Class

## Farm Managers participating in the Advocacy/Communications Training:



Dennis Schmidt, AFM from New Ulm, MN



Andy Hubert, AFM from Geneva, NE



Managers at Chesapeake Farms outside of Chestertown, MD on the scenic Delmarva Peninsula

## Leadership Institute Meets with Agency Chiefs and Banking Leaders

By Bill Garber

Appraisers participating in the ASFMRA Leadership Institute (LI) met with several federal agency chief appraisers, Congressional offices, and banking organization leaders September 12-16. LI participants heard from agency appraisal leaders from the Department of Interior, U.S. Forest Service, U.S. Army Corps of Engineers, and the Farm Service Agency. LI appraiser participants also met with representatives from Congressman Paul Kanjorski's office, and leaders of the House and Senate Agriculture Committees to discuss appraisal reform and Section 1619 complications. Lastly, LI appraiser participants conducted outreach and information sessions with rural policy experts at the American Farm Bureau, Independent Community Bankers Association, and the American Bankers Association. In all of the meetings, LI participants stressed the importance of utilizing competent appraisers and sound appraisal practices and processes.

## **USDA Announces Disaster Assistance**

By Stephen Frerichs

Agriculture Secretary Vilsack announced additional disaster assistance that will be provided by USDA, in part at the request of Senator Lincoln (D-AR). The \$630 million in disaster aid will come from money at USDA that is often used to supplement nutrition programs but is also designated to restore the purchasing power of farms. Also included are payments for poultry producers, a major industry in Arkansas, and fish farms, which also have a presence in the state. Some details on the crop assistance:

- The Crop Assistance Program total up to \$550 million (FY 2011)
- Eligible commodities are upland cotton, rice, soybeans and sweet potatoes.
- Eligible counties are those Secretarially-designated primary disaster counties designated due to high precipitation or moisture conditions in 2009. You can find a list of those here: <http://www.fema.gov/dhsusda/searchState.do>
- Producers who certify to at least a five percent loss in 2009 will receive a payment based on a pre-determined payment rate multiplied by the actual planted (or prevented planted) acres that they have on file with FSA.
- FSA will promulgate a regulation to implement this program that applies average adjusted gross income eligibility requirements and payment limitations consistent with other disaster programs.
- Payment rates per acre for eligible producers: Long Grain Rice -- \$31.93, Medium and Short Grain Rice -- \$52.46, Soybeans -- \$15.62, Sweet Potatoes -- \$155.41 and Upland Cotton -- \$17.70.

## **CRP Sign-up a Success**

By Stephen Frerichs

USDA will accept 4.3 million acres offered by landowners under the Conservation Reserve Program (CRP) general sign-up this year. The selections preserve and enhance environmentally sensitive lands, including wetlands, while providing payments to property owners.

For this 39th general sign-up more than 50,000 offers were received on more than 4.8 million acres, nationwide. Enrollment of the 4.3 million acres will keep the program enrollment close to the 32 million acre statutory cap. CRP's 39th signup will bring the total enrollment in the program to 31.2 million acres, leaving sufficient room under the 32 million acre cap to continue enrollment in the Conservation Reserve Enhancement Program, continuous signup and other CRP initiatives through FY 2011.

## Regulator Urges Capital Cushion on CRE

American Banker | Wednesday, September 15, 2010

By [Joe Adler](#)

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A senior regulator said banks must better align capital buffers with commercial real estate concentrations, and he recommended a smaller role for auditors in setting loan-loss reserves.

In prepared remarks Tuesday to the American Institute of Certified Public Accountants, Chief National Bank Examiner Tim Long said it was time "to set some parameters for concentration limits in" CRE lending.

"As a bank's concentrations increase so, too, would the buffer above regulatory capital minimums that they would be expected to maintain," said Long, a senior deputy comptroller for the Office of the Comptroller of the Currency.

"This would provide more formality and transparency to the agencies' long-standing policy that our risk-based capital standards represent minimum capital levels and that most banks need to maintain capital levels above those thresholds."

Long also said banks should focus more on their own credit analysis than the advice of accountants when determining proper loss reserves. He said accountants did not recognize the accumulation of risk leading up to the crisis.

"Somehow, we've allowed accounting doctrine and the accounting profession to encroach on what is fundamentally a process of credit estimation, based on credit administration inputs," he said, adding later that "some in the bank accounting profession placed too much reliance on the lack of historical loss rates and missed the resulting build up of credit risk on the banks' balance sheet."

## Chief Appraiser Position – U.S. Forest Service

**Location:** Washington, DC

**Description:** On September 15, 2010, the U.S. Forest Service advertised its Chief Appraiser position, stationed in Washington, DC. For more information, you may contact Ted Freeman, RPRA at 202-205-1360. There is a short window of opportunity for this position, so you are encouraged to call Ted if interested. [Click here to view the job announcement.](#) [Click here to go to the Career Center](#) on the ASFMRA website to view more job listings.