

January 2014



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## Merced/Mariposa County FSA Updates

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### Merced County FSA Office

**Office Location:**  
2926 G Street, Suite 103  
Merced, CA 95340-2110

**Contact Information:**  
Phone (209)722-4119 ext. 2  
Fax (209)722-0974

**Hours:**  
Monday - Friday  
8:00 a.m. - 4:30 p.m.

**County Committee (COC):**  
Arthur W. Richards, Chair  
RoseAnn Serrano, Vice Chair  
Simon Vander Woude, Member  
Pasquale Palazzo, Member  
Jose D. Vazquez, Advisor

### Bank Account Changes

Current policy mandates that FSA payments be electronically transferred into a bank account. In order for timely payments to be made, producers need to notify the FSA county office when an account has been changed or if another financial institution purchases the bank where payments are sent. Payments can be delayed if the FSA office is not aware of updates to bank accounts and routing numbers.

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### Farming Operation Changes

Producers who have bought or sold land, or added or dropped rented land from their operation must report those changes to the FSA office as soon as possible. A copy of the deed or recorded land contract for purchased property is needed to maintain accurate records with FSA. Failure to do so can lead to possible program ineligibility and penalties. While making record updates, be sure to update signature authorizations. Making record changes now will save time in the spring.

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### Breaking New Ground

Agricultural producers are reminded to consult with FSA and NRCS before breaking out new ground for production as doing so without prior authorization may put a producer's federal farm program benefits in jeopardy. This is especially true for land that must meet Highly Erodible Land

(HEL) and Wetland Conservation (WC) provisions.

**Farm Program Staff:**

Garrett Pedretti, CED  
Lydia Swilley, PT  
Gizela Gover, PT  
Lenai Mull, PT  
Tina Frey, PT

Producers with HEL determined soils must apply tillage, crop residue and rotation requirements as specified in their conservation plan.

Producers should notify FSA prior to conducting land clearing or drainage projects to ensure compliance. If you intend to clear any trees to create new cropland, these areas will need to be reviewed to ensure any work will not risk your eligibility for benefits.

**Farm Loan Staff:**

LaVon Treasure, FLM  
Aileen Garcia, FLO  
Laura Westerfield, FLOT  
Phyllis Boyle, PT

Landowners and operators can complete form AD-1026 Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification to determine whether a referral to Natural Resources Conservation Service (NRCS) is necessary.

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## **FSA Advises Producers to Anticipate Payment Reductions Due To Mandated Sequester**

USDA's Farm Service Agency (FSA) is reminding farmers and ranchers who participate in FSA programs to plan accordingly in FY2014 for automatic spending reductions known as sequestration. The Budget Control Act of 2011 (BCA) mandates that federal agencies implement automatic, annual reductions to discretionary and mandatory spending limits. For mandatory programs, the sequestration rate for FY2014 is 7.2%. Accordingly, FSA is implementing sequestration for the following programs:

- Dairy Indemnity Payment Program;
- Marketing Assistance Loans;
- Loan Deficiency Payments;
- Sugar Loans;
- Noninsured Crop Disaster Assistance Program;
- Tobacco Transition Payment Program;
- 2013 Direct and Counter-Cyclical Payments;
- 2013 Average Crop Revenue Election Program;
- 2011 and 2012 Supplemental Revenue Assistance Program;
- Storage, handling; and Economic Adjustment Assistance for upland cotton

Conservation Reserve Program payments are specifically exempt by statute from sequestration, thus these payments will not be reduced.

These sequester percentages reflect current law estimates; however with the continuing budget uncertainty, Congress still may adjust the exact percentage reduction. Today's announcement intends to help producers plan for the impact of sequestration cuts in FY2014.

At this time, FSA is required to implement the sequester reductions. Due to the expiration of the Farm Bill on September 30, FSA does not have the flexibility to cover these payment reductions in the same manner as in FY13. FSA will provide notification as early as practicable on the specific payment reductions.

For information about FSA programs, visit your county USDA Service Center or go to [www.fsa.usda.gov/](http://www.fsa.usda.gov/).

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## **MICROLOAN Program**

The Farm Service Agency (FSA) developed the Microloan (ML) program to better serve the unique financial operating needs of beginning, niche and small family operations. This program is to assist farmers with credit needs of \$35,000 or less. Eligibility, security, rates, and term regulations and guidelines are the same as the

Farm Direct Operating Loan Program. For more information, please contact the Merced County FSA Office and ask to speak with someone on the loan team.

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## Emergency Loans - Secretarial Natural Disaster Designations

As a result of these designations, the counties listed are eligible for Farm Service Agency (FSA) Emergency (EM) loans for eligible family farmers.

The following current disaster designations have been declared by the Secretary of Agriculture:

**Date Declared:** 07/03/2013

**Designation Code:** S3547

**Disaster Description:** Merced, Madera, and Mariposa Counties have been named eligible for USDA emergency farm loans because of physical and production losses based on damages and losses caused by drought, which occurred on May 5, 2013 through July 1, 2013.

**Final Date to Apply:** 03/03/2014

**Date Declared:** 07/31/2013

**Designation Code:** S3558

**Disaster Description:** Merced County has been named eligible for USDA emergency farm loans because of physical and production losses based on damages and losses caused by drought, which occurred on June 4, 2013 through July 29, 2013.

**Final Date to Apply:** 03/31/2014

**Some of the eligibility requirements are as follows:**

- Have suffered at least a 30 percent loss of normal production directly related to the cited cause,
- Be able to repay the loan and any other loans,
- Be unable to obtain credit elsewhere,
- Have adequate security,
- Have multi-peril crop insurance, if available, and
- Meet all other eligibility criteria.

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## Application Closing Date Nears for Non-Insured Crop Disaster Assistance Program (NAP)

2014 Non-Insured Crop Disaster Assistance Program (NAP) application closing dates for several crops are fast approaching. Please make sure to file an application for coverage and pay the service fee for your crop policy before these dates have passed. **January 31, 2014** is the last day to buy coverage for apples and **March 1, 2014** is the last day to buy coverage for annual crops (tomatoes, peppers, carrots, etc.). For questions regarding NAP, please contact the Merced County FSA office at (209)722-4119 ext. 2.

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(866) 377-8642 (Relay voice users).

