



November 2010

Farm Service Agency California

Riverside-San Diego

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Indio, CA 92201
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Hours

Monday-Friday
8:00 a.m. – 4:30 p.m.

County Committee

David Zeiders, LAA1
Efrin Castro, LAA 2
Jack Seiler, LAA 3
Raymond Lodge, LAA 4

County Staff

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Voting for County Committee Begins

Ballots for this year's county committee election will be mailed to eligible voters on November 5, 2010. Voters must complete their ballots and return them to the Farm Service Agency county office by the close of business on December 6, 2010. If mailed, ballots must be postmarked by midnight December 6, 2010.

This year the candidates are:

Sandra Van Dyke is nominated in LAA 3, Riverside County, to serve as a committee member. Van Dyke states:
"I was born in Arkansas and raised in Tolleson, AZ, where I met and married my husband, Charles Van dyke. We began working together on his father's dairy and farm while we were dating in high school and farmed full time after we married. We had 3 daughters and they worked on the farm with us when we moved to California in 1971. I have worked with my husband in all areas of our farming operations, including baling hay and running other equipment as needed. I manage our office as well as sell the hay from our farm. I also manage Blythe Public Scales of which we are a partner. I have served one term as a member of COC and one term as an alternate. I did enjoy meeting the representatives from other areas and hearing what is going on in their farming experiences."

John E Seiler (also known as Jack Seiler) is nominated in LAA 3, Riverside County, to serve as a committee member. Seiler states:
"I was born in Lancaster, CA. My family moved to Blythe, CA in 1968 and began farming in the Palo Verde valley. I graduated from Palo Verde High School and continued my education in San Luis Obispo, graduating with a major in Crop Science in 1980. In 1981, I married my wife Susan and returned home to farm with my father. We have two children, Ryan and Michelle. I am

currently serving as a trustee for the Palo Verde Irrigation District. I have served two terms for the COC to which I helped in implementing two farms bills as it applies to the Palo Verde Valley. I feel it is very important to keep my fellow growers informed of any new farm bill legislation and how it affects them."

Eligible voters in a local administrative area who have not received a ballot should contact the FSA county office staff.

Voter Requirements Persons meeting requirements in **1 or 2, plus 3**, below, are eligible to vote:

1. Be of legal voting age and have an interest in a farm or ranch as either a) or b):

a) an owner, operator, tenant or sharecropper, *or*

b) a partner in a general partnership or member of a joint venture that has an interest in a farm as an owner, operator, tenant or sharecropper;

2. Not of legal voting age, but supervises and conducts the farming operations on an entire farm; *and*

3. Eligible to participate in any applicable FSA program that is provided by law, regardless of funding status.

Discrimination Prohibited No person shall be denied the right to vote because of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital or family status.

The ACRE Option

The Average Crop Revenue Election Program (ACRE) provides a safety net based on state revenue losses and acts in place of the price-based safety net of counter-cyclical payments under DCP. A farm's payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year national price for each eligible commodity.

Continued on page 2

Continued from page 1

The June 1, 2011, deadline is mandatory for all ACRE participants. FSA will not accept late-filed applications.

An ACRE payment is issued when both the state and the farm have incurred a revenue loss. In exchange for participating in ACRE, a farm's direct payment is reduced by 20 percent, and marketing assistance loan rates are reduced by 30 percent.

The decision to enroll in the ACRE Program is irrevocable. The owner of the farm and all producers on the farm must agree to enroll in ACRE. Once enrolled, the farm shall be enrolled for that initial crop year and will remain in ACRE through the 2012 crop year.

Disaster Assistance Programs / Risk Management

FSA disaster assistance programs include:

- Supplemental Revenue Assistance Payments (SURE) Program
- Livestock Forage Disaster Program (LFP)
- Livestock Indemnity Program (LIP)
- Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish (ELAP)
- Tree Assistance Program (TAP)

To be eligible for SURE, TAP, and ELAP, producers must purchase catastrophic risk protection insurance for all insurable crops, and NAP coverage for non-insurable crops.

Farm-Raised Fish means all fish being produced for sale by an eligible producer. In the case of honey, the term "farm" means all bees and beehives in all counties that are intended to be harvested for a honey crop by the eligible producer.

Producers who meet the definition of Socially Disadvantaged, Limited Resource Producer, or Beginning Farmer or Rancher, do not have to meet this risk management purchase requirement.

CCC-927 or -928 Disclosure Form Needed by IRS

Producers who participated in 2009 or 2010 programs subject to adjusted gross income limitations (AGI) had to certify compliance with AGI rules. The average AGI verification process for 2009 and 2010 payment eligibility requires all program

participants to provide written consent to IRS for the disclosure of certain information to FSA.

On October 6, 2010, a letter was mailed to producers who have not submitted either: CCC-927: "Consent to Disclosure of Tax Information-Individual Form", or CCC-928: "Consent to Disclosure of Tax Information-Legal Entity"

Individuals and legal entities, including members of legal entities, that certified to average AGI compliance for 2009 and/or 2010 payment eligibility must submit a completed CCC-927 or CCC-928 to IRS regardless of whether they received program benefits directly or as a member of a joint operation or entity. These forms must be submitted to IRS in order to avoid a demand for refund of program payments and benefits received.

NAP Deadline

Noninsured Crop Disaster applications are due at different times according to the crop being insured. Producers should apply for Noninsured Crop Disaster Assistance Program (NAP) coverage using form CCC-471 (Application for Coverage). Related service fees are due when the application is filed. The application and service fee **MUST** be filed by the crop sales closing date. Contact your local FSA office for the filing dates for your crops and note that for some disaster assistance programs, crop insurance or NAP coverage is required for all crops on the farm.

Farm Loan Year End Reviews

Producers that have a farm loan with FSA are reminded they must provide data for their Year-End Analysis to their loan officer each year. Borrowers are urged to provide this information timely so that their files can be maintained.

Applications for FSA Farm Loan Assistance

Farmers and ranchers that intend to apply to the Farm Service Agency for loan assistance for the upcoming crop year are encouraged to file their applications as early as possible. Failure to apply early may result in a delay in processing loans due to the volume of applications. Contact

Continued on page 3



Continued from page 2
your local FSA Farm Loan representative
for more details and assistance in applying.

Operating Loan Applications

Farmers that plan to apply for annual operating loan assistance are encouraged to apply as soon as possible. Farmers should contact their local FSA office for information.

New Financial Management Web Page Available for Producers

Producers who have level 2 e-Authentication access can use the new Public Financial Management Information web page. The website allows producers to generate reports that show both current and historical financial information. This resource will allow users to view details on payments, collections and outstanding debt. The website is a great tool for producers to conveniently access financial information at any time. To view the Financial Management Information web page, visit <http://www.fsa.usda.gov/fmi>. Please contact your county office if you have any questions regarding the web page.

Note: *Website use requires level 2 e-Authentication access. Follow the steps below to obtain level 2 access...*

1. Go to www.eauth.egov.usda.gov, complete a customer profile and submit it online
2. After submitting your customer profile, you will receive a confirmation email, and you must respond to it within 7 days to activate your account
3. Then you must complete the "Identity Proofing" process by visiting a local USDA Service Center and presenting a photo ID, such as your driver's license

Changing Banks

Almost all Farm Service Agency payments are made electronically using Direct Deposit.

To keep the system running smoothly, it's critical to keep the county office staff up to date on changes you might make in your financial institutions.

If you have changed accounts or institutions that might affect the direct deposit of your FSA payments, contact the

FSA county office so we can update our files to insure continued uninterrupted service.

Farm Reconstitutions

When changes in farm ownership or operation take place, a farm *reconstitution* is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

Remember, to be effective for the current year, recons must be requested by Aug. 1 for farms enrolled in the Direct and Counter-cyclical Program. Methods used for farm reconstitution are:

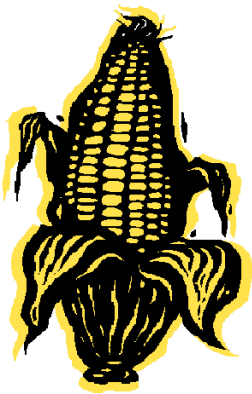
Estate Method — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

DCP Cropland Method — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

Default Method — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

If DCP direct payments have already been issued on a particular farm, the reconstitution will be effective for the next year, unless the payments are refunded.



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PRESORTED STANDARD
U.S. POSTAGE PAID
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PERMIT #22

Unauthorized Disposition of “Loaned Grain”

If grain for which a Marketing Assistance Loan or a Loan Deficiency Payment has been authorized is disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition.

The financial penalties for unauthorized dispositions are severe and a producers name will be placed on a loan violation list for a two-year period. Always call before you haul or otherwise use any grain under MAL or LDP encumbrances..

Selected Interest Rates for November 2010	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	2.000%
Farm Ownership and Conservation Loan - Direct	4.125%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency	3.750%

Dates to Remember	
Nov. 5	County Committee ballots mailed to voters
Nov. 11	Veterans Day Holiday
Nov. 25	Thanksgiving Day Holiday
Dec. 6	County Committee ballots due back to County Office
June 1, 2011	DCP / ACRE Filing Deadline