

# Hollister Service Center

**USDA Service Center  
Farm Service Agency  
San Benito/Santa Clara  
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Websites:  
FSA: [www.fsa.usda.gov](http://www.fsa.usda.gov)  
USDA: [www.usda.gov](http://www.usda.gov)

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

**County Committee**  
Wayne Shingai  
Nenette Corotto  
Joseph Gonzales

County Committee meets  
3<sup>rd</sup> Thursday of the month

**Staff**  
**Jeannine Leyva, CED**  
**Rebekah Reische, PT**

**Farm Loan Staff** are head-  
quartered in the Salinas Ser-  
vice Center (831) 424-7377  
(phone)

**NRCS** is co-located in the  
Hollister Service Center, in  
Suite C. Dial extension 3 to  
reach NRCS staff.



## Eligibility Buy-In by Sept. 16

Producers can establish 2008 eligibility for the new disaster assistance programs by paying a fee as required by the Food, Conservation and Energy Act of 2008 (the 2008 Farm Bill).

Ordinarily producers who wish to participate in the new disaster programs would need crop insurance or non-insured crop disaster assistance (NAP) coverage on all farms in all counties in which they have an interest. Since the 2008 Farm Bill was enacted after the application periods had closed for those programs, producers who did not have insurance coverage could not comply with this requirement in order to be eligible. However, the Farm Bill authorizes a waiver that allows producers to pay a fee, called a "buy-in" fee, to be eligible for the new disaster assistance programs.

The buy-in fee is due no later than Sept. 16, 2008, 90 days after the date of enactment, as required by the 2008 Act. Payment of the applicable fees will allow the producer to be eligible for financial assistance under the Supplemental Revenue Assistance Program (SURE), Livestock Forage Disaster Program (LFP), and other disaster assistance programs. Those who miss this opportunity will **not** be eligible for 2008 disaster assistance. Producers are also reminded that the payment of the applicable buy-in fee does **not** provide the producer crop insurance or NAP coverage; it only affords eligibility for the disaster programs.

## Livestock Forage Program

Livestock producers need to note the Livestock Forage Program's eligibility requirements if they want to participate. And right now, LFP can be of special benefit to Western United States producers whose herds have suffered under poor forage conditions due to drought. Parts of the West are experiencing the second year of drought in major livestock regions and may have already obtained LFP-eligible status.

A requirement for LFP eligibility is that the grazing land must be in a county "severely affected" by drought as designated by at least a D2 level by the Drought Monitor. And that D2 status must exist for at least eight weeks during normal grazing. Right now 13 counties in California have reached that level and another several dozen are heading to qualify at D2 for eight weeks later this summer if no appreciable moisture occurs.

LFP also requires that grazing acres be covered by crop insurance or NAP. Since the 2008 Farm Bill has taken some time to become law this time around, coverage deadlines have passed. **To account for that issue, the law provided an extended deadline of Sept. 16** to visit your local FSA office and pay an Eligibility Buy-In to qualify if you don't have this coverage. Note that this Buy-In does not also confer insurance payment benefits at this late date.

Disaster payments for LFP are based on a percentage of the monthly feed cost and increase as the Drought Monitor status levels progress with continued severe drought. For more information and a list of current D2 counties, contact your FSA office soon. Sept. 16 is fast approaching.

## NAP Coverage

The Non-Insured Crop Disaster Assistance Program (NAP) was designed to reduce financial losses that occur when natural disasters cause a catastrophic loss of production or prevented planting of an eligible crop by providing coverage equivalent to catastrophic (CAT) insurance. Statute limits NAP to each commercial crop or agricultural commodity, except livestock, for which CAT is not available.

The application deadline date for the 2009 coverage on fall seeded crops has been extended to December 1, 2008. In order to be eligible for disaster assistance programs, like SURE or LFP, producers are required to timely purchase,



at a minimum, CAT coverage for all insurable crops and/or NAP coverage for all non-insurable crops on their entire farm.

NAP coverage for 2009 costs \$250 per crop, but not more than \$750 per producer per county, or not more than \$1,875 total per producer for all counties.

Producers who already have coverage on 2008 NAP crops may choose to continue coverage on the same crop or crops for 2009, if the applicable service fee is submitted by the application closing date. A new CCC-471, application for coverage is not required to be signed when applying for continuous coverage of the same crop or crops.

Producers who choose to add a new crop(s) or delete a crop(s) from previous year's coverage or changing crop shares must file a new CCC-471 with signatures and pay the applicable service fee.

Producers with 2008 NAP coverage must remember to complete the following to qualify for benefits:

- Timely file acreage reports and keep track of harvested production using acceptable methods. For example, bale weights or other means of determining quantities of hay are required.
- File a "Notice of Loss" within 15 days of when a loss is apparent, due to drought, hail, etc.

## 2008 DCP

Producers have until September 30, 2008 to sign up in the Direct and Counter-cyclical Program (DCP) for this fiscal year. Participants can expect their final direct payment to be directly deposited into personal bank accounts sometime during the first few weeks of October.

Producers who did not elect to receive an advance direct payment will receive their entire direct payment for the year in one lump sum after the end of the fiscal year (September 30).

The direct payment for a crop equals 85 percent of the farm's base acreage times (x) the farm's direct payment yield times (x) the direct payment rate.

If there are any unearned payments, Commodity Credit Corporation will automatically subtract those amounts from the final DCP payments a producer is about to receive.

## Succession in Interest

If you have made any changes that affect your interest in base acres since you signed your last Direct and Counter-cyclical Program contract, you must report these **successions-in-interest** to the county committee by Sept. 30, so that a final determination can be made on who is program eligible on the property.

Changes that qualify as a succession-in-interest include:

A sale of land

- A change of operator or producer, including an increase or decrease in the number of partners
- A foreclosure, bankruptcy or involuntary loss of the farm.
- A change in producer shares to reflect changes in the producer's share of the crop(s) that were originally approved on the contract.

If a succession-in-interest has taken place, you, as the "predecessor," are required to refund any advance DCP payments you received for the affected base acres before a payment can be made to the "successor."

Not reporting a succession-in-interest can result in contract termination and a loss of program benefits for all producers involved.

## County Committee Elections

A slate of nominees for your county committee election has been established. The next step in the election process is the mailing of the ballots, which will begin on November 3, 2008. Voters have until December 1, 2008, to return their properly completed ballots to the county office. Elected committee members and alternates take office on Jan. 1, 2009.

**Prospective Voter Requirements** - Anyone who meets the requirements in either, 1 or 2, as well as item number 3, is eligible to vote for county committee members.

1. Voter is of legal voting age and participates or cooperates in any FSA program, or
2. The voter is not of legal voting age, but supervises and conducts the farming operations on an entire farm.



3. The voter must also be eligible to participate in any FSA program provided by law, regardless of the status of funding.

**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.

If you have any questions about your voter eligibility, please contact our office and ask for Jeannine at (831) 637-4360 ext. 100.

### Marketing Assistance Loans

Marketing Assistance loans are available for producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop through the time of application. Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; and title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if you regain beneficial interest.

Commodity loan eligibility also requires you comply with conservation and wetland protection requirements; beneficial interest requirements, report how you use cropland acreage on the farm and ensure that the commodity meets CCC minimum grade and quality standards. For commodities to be eligible they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Producers do not have to participate in the Direct and Counter-Cyclical Program to be eligible for commodity loans. Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans. The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.



### Youth Loans

The Farm Service Agency makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5000.

For detail information on loan eligibility, just contact Enoy Guevara at (831) 424-7377 ext. 110 at the Salinas Service Center.

### Power of Attorney

For those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., FSA has a power of attorney form available that enables you to designate another person to conduct your business at the office. If you are interested, please contact our office or any Farm Service Agency office near you for more information. If you want a crop loan, a power of attorney form will need to be completed for husband and wife, if both do not come into the office to sign the forms on the day the loan is disbursed



### Direct Deposit Mandatory

Payments from FSA are required by law to be directly deposited into a producer's checking or savings account. Forms are available at our office. For those already signed up, it is important that any changes to your account — such as bank mergers, changes to account numbers, or closed accounts — be provided to us promptly to avoid payment delays.

<b>Dates to Remember</b>	
Sept. 1	Office Closed for Labor Day Holiday
Sept. 16	Crop insurance and NAP "Buy-in fee" for 2008 crops due
Sept. 30	2008 DCP Sign Up deadline

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