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***San Luis Obispo
County***

FSA NEWS

June 2011

The ACRE Program

The ACRE Program 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. The **June 1, 2011**, signup deadline is mandatory for all participants. FSA will not accept any late-filed applications. A 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. For 2011, the 2-year price average will be based on the 2009 and 2010 crop years.

An ACRE payment is issued when both the state and the farm have incurred a revenue loss. The payment is based on 83.3% (85% in 2012) of the farm's planted acres times the difference between the state ACRE guarantee and the state revenue times the ratio of the farm's yield divided by the state expected yield. The total number of planted acres for which a producer may receive ACRE payments may not exceed the total base on the farm. Participants in ACRE will forgo counter-cyclical payments. Also a farm's direct payment is reduced by 20% and marketing assistance loan rates are reduced by 30%.

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.

CRP REMINDER

Due to recent inquiries regarding land contracted under the Conservation Reserve Program (CRP) and solar interests, it is important that CRP participants refer to their CRP-1 Appendix of the program rules and regulations. CRP contracts are contracted in 10-15 year increments. Under no circumstances can a participant "cancel" a CRP contract in existence without being subject to the rules and regulations. If a participant fails to carry out the terms and conditions of the CRP contract or "withdraw/cancel" their contract the CCC will require such participant to refund, with interest, all payments received under the CRP contract, **PLUS** Liquidated Damages. Liquidated Damages are obtained by multiplying (1) 25 percent of the rental payment rate per acre on Form CRP-1 by, (2) the number of the acres that are the subject of the CRP contract.

AGI and the IRS

USDA has a Memorandum of Understanding with the Internal Revenue Service to establish an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent will be required from each producer or payment recipient for the tax review process. No actual tax data will be included in the verification report that IRS sends to FSA.

The agreement ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs. Participants in CCC programs subject to average AGI rules must submit form CCC-927 (Individual) and/or CCC-928 (Legal Entity) to the Internal Revenue Service by **June 15, 2011** to avoid interruption of program benefits. These forms may be obtained from local FSA and NRCS offices.

Non-Insured Assistance Program (NAP)

The NAP program provides financial assistance to producers on non-insurable crops when low yields, loss of inventory, or prevented planting occur due to a natural disaster for crops which catastrophic risk protection level of crop insurance is not available.



At the time of application, producers must pay a nonrefundable service fee for the eligible NAP crop by the application closing date. **The cost for coverage is now \$250 per crop per producer with a \$750 cap per county, not to exceed \$1,875 per producer for all counties.**

NAP Crops	2012 Application Closing Dates
All Vegetable Crops	Aug. 1, 2011
Fall Planted Seed Crops	Aug. 1, 2011
Garbanzo Beans	Sept. 1, 2011
Value Loss Crops (ie. Cut Flowers)	Sept. 1, 2011
Grazing Acreage & Forage/Hay Crops	Dec. 1, 2011
Honey, Onions	Dec. 1, 2011
Almonds, Apricots, Asparagus, Cane berries, Kiwis, Persimmons, Cherries, Mint, Olives, Nectarines, Peaches, Pears, Grapes, Pistachios, Plums, Strawberries, and Walnuts	Dec. 15, 2011
2013 Citrus: Valencias, Navels and Limes (No young trees are eligible)	Jan. 1, 2012

Notice of Loss: To be eligible for a NAP payment, producers must notify the FSA Office within 15 calendar days after a disaster has affected the NAP crop and complete a CCC-576 Notice of Loss Form.

Production must be submitted no later than July 15, 2011 for the 2010 crop year. If you have not previously submitted your 2010 crop production you must make an appointment with our office or you will not be eligible for benefits.

Crop Reporting

The annual, timely and accurate reporting of acres for all crops and land uses, including failed acreage, can prevent loss of benefits for a variety of Farm Service Agency programs. All cropland on the farm must be reported to receive benefits from the Direct and Counter-cyclical Program, marketing assistance loans and Loan Deficiency Payments. Conservation Reserve Program (CRP) acreage must be reported to receive annual rental payments. And, crop acreage for Non-insured Crop Disaster Assistance Program (NAP) must also be reported. **Crop reports, form FSA-578, Report of Acreage, must account for all cropland on a farm, whether idle or planted.**

Crop Reporting Deadlines

July 15, 2011	All crops other than small grains including; CRP land, hay crops and grass for grazing.
15 Calendar days before the onset of harvest or July 15, 2011	Crops covered by NAP only

Prevented Planting: Prevented planting needs be reported no later than 15 calendar days after the final planting date.

Failed Acreage: Reports of failed acreage must be filed before disposition of the crop, and producers must be able to establish to the satisfaction of the county committee that the crop failed and was prevented from being replanted through the normal planting period because of natural disaster conditions.

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.

Reporting Farm Information

It is the producer's responsibility to report their farm operation completely and accurately.

It is also the producer's responsibility to notify FSA of ANY changes in their farming operation or entity status throughout the year. Changes that may affect a determination include, but are not limited to a change in contract shares of a contract which may reflect change of land lease from cash rent to share rent or from share rent to cash rent; modification of a variable/fixed bushel rent arrangement; a change in the size of the producer's farming operation by the addition or deletion of a farm; a change in the structure of the farming operation, including any change in the member's shares; a change in land ownership; a change in the contributions of farm inputs of capital, equipment, active personal labor, or active personal management; and a change of farming interest not previously disclosed on CCC-902 or update, including the farming interests of a spouse or minor child.

Spousal Signatures

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse. There are important exceptions to the rule. Check with the county office staff for details.

Direct Deposit Mandatory

As of Jan. 1, 1999, all payments issued by the county FSA office will be by direct deposit (electronic funds transfer) to a pre-designated checking or savings account with your financial institution. Forms are available at the FSA office to sign up for direct deposit if you haven't yet. For those already signed up, it is important that we are notified anytime there is a change in your account number or financial institution. If we aren't notified, future payments can be delayed or lost for a period of time.

Spot Check by FSA

All CCC-901s (Members Information), and CCC-902s (Farm Operating Plan for Payment Eligibility Review), are subject to spot check through our end-of-year review process. If selected for a spot check, producers will be asked to submit proof of their contribution to the operation such as seed, fertilizer and chemical bills, land lease agreements, land contracts or property tax payments, equipment lists, cancelled checks for paid labor or hired management and any other items the FSA County Committee determine are necessary.

The producer is required to provide these items for the spot check so that the FSA county committee can make a determination that the farming operation is actually being performed as was stated on the applicable CCC-901 or CCC-902 that was originally completed.

Controlled Substance

Any person who is convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant. Prohibited plants include marijuana, opium poppies and other drug producing plants.

Power of attorney form(s) 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.

Civil Rights Complaint Process

Any person, class or group of persons may file a discrimination complaint within 180 days of an alleged discriminatory action. Complaints may be filed in writing or orally with the agency head, any designated agency official or the Secretary of Agriculture, U.S. Department of Agriculture, Washington, D.C. 20250. Assistance in filing a complaint can be obtained by calling or visiting any FSA office.

After an FSA official makes a decision on your request for USDA services or application, you will be sent a letter informing you of the decision and options you can pursue if you disagree.

Generally, program participants have three choices – an informal review with the original agency decision-maker, an opportunity for mediation and appeal to the USDA National Appeal Division (NAD).

Foreign Landowner

Foreign investors, who buy, sell or hold a direct or indirect interest in U.S. agricultural land must report their holdings and transactions to the Secretary of Agriculture. Failure to timely file an accurate report can result in a penalty with fines up to 25 percent of the fair market value of the agricultural land.

Conservation Compliance

All participants in USDA programs are required to have a conservation system in place on all the highly erodible land (HEL) that they operate. Several areas where problems can arise with complying with a conservation system are; renting new cropland, purchasing new land, breaking out additional cropland, planting different crops such as soybeans, and changing or removing existing conservation practices. It is very important that you contact the FSA office before doing any of the above. Also, it is very important that you contact our office before modifying – tilling, draining, dredging, filling or leveling - any wetland or drainage ditch. Failure to obtain advance approval for any of these situations can result in loss of all Federal payments and eligibility.

Special Accommodations

Special accommodations will be made, upon request, for individuals with disabilities, vision impaired, or hearing impairment. If accommodations are required, please call our office at (805) 434-0398 Ext. 2.

Hispanic and Women Farmers

A process to resolve the claims of Hispanic and women farmers and ranchers who believe they were discriminated against when seeking USDA farm loans is being established. If you believe that the United States Department of Agriculture (USDA) improperly denied farm loan benefits to you during certain time periods between 1981 and 2000 because you are Hispanic, or because you are female, you may be eligible to apply for compensation.

For additional information on this claim process, and other settlement issues, contact:

Hispanic and Women Farmer Claims Process www.farmerclaims.gov
or 1-888-508-4429

Pigford - Black Farmers Discrimination Litigation
www.blackfarmerscase.com
or 1-866-950-5547

Keepseagle - Native American Farmers Class Action Settlement
www.IndianFarmClass.com
or 1-888-233-5506

NOTICE TO HISPANIC AND/OR WOMEN FARMERS OR RANCHERS COMPENSATION FOR CLAIMS OF DISCRIMINATION

If you believe that the United States Department of Agriculture (USDA) improperly denied farm loan benefits to you between 1981 and 2000 because you are Hispanic, or because you are female, you may be eligible to apply for compensation.

To register your name to receive a claims packet, call the Farmer and Rancher Call Center at 1-888-508-4429 or visit: www.farmerclaims.gov

The claims package will have detailed information about the eligibility and claims process.

Farm Service Agency
 San Luis Obispo County FSA Office
 65 S. Main Street Suite 106
 Templeton, CA. 93465



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2011 DATES TO REMEMBER

June 1	Deadline for Farm Record Changes	September 1	NAP 2012 Application for Coverage Closing Deadline for the following: All Vegetable Crops, Fall Planted Seed Crops, Garbanzo Beans, Value Loss Crops (i.e. Cut Flowers)
	ACRE Signup Ends		
	2011 DCP Enrollment Ends		
June 15	Deadline to submit Consent To Disclosure Of Tax Information Form CCC-927 (Individual) and /or CCC-928 (Legal Entity) to IRS	December 1	Grazing Acreage & Forage/Hay Crops Honey Crops Onion Crops
July 15	Crop Reporting Deadline for All crops other than small grains including CRP land, hay crops & grass for grazing	December 15	NAP 2012 Application for Coverage Closing Deadline for the following: Almonds, Apricots, Asparagus, Cane berries, Grapes, Kiwis, Persimmons, Cherries, Mint, Olives, Nectarines, Peaches, Pears, Pistachios, Plums, Strawberries & Walnuts
	2010 Production Reporting Deadline for NAP		
August 1	NAP 2012 Application for Coverage Closing Deadline for the following: All Vegetable Crops, Fall Planted Seed Crops	January 1, 2012	2013 Citrus: Valencias, Navels and Limes (No young trees are eligible)

The United States Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance programs. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800)795-3272 (voice) or (202)720-6382 (TDD). USDA is an equal opportunity provider and employer.