#### **JUNE 2013**



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# **Tehama County FSA Updates**

Dear Producers; Welcome to the GovDelivery bulletins and updates service from your Tehama County FSA Office. Note that you are welcome to request to receive bulletins from more than one county and can add or remove individual subscriptions and any time.

# Tehama County FSA Office County Committee Nominations

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The election of agricultural producers to Farm Service Agency (FSA) county committees is important to ALL farmers and ranchers. It is crucial that every eligible producer participate in these elections because FSA county committees are a link between the agricultural community and the U.S. Department of Agriculture (USDA).

County committee members are a critical component of the operations of FSA. They help deliver FSA farm programs at the local level. Farmers and ranchers who serve on county committees help with the decisions necessary to administer the programs in their counties. They work to ensure FSA agricultural programs serve the needs of local producers.

FSA county committees operate within official regulations designed to carry out federal laws. County committee members apply their judgment and knowledge to make local decisions.

The COC nomination period runs from June 17, 2013 through Aug. 1, 2013. For more information contact your local FSA office.

## **DCP/ACRE Deadlines Approach**

The sign-up period for DCP and ACRE is still open. Producers are encouraged to sign up for DCP before the Aug. 2, 2013, deadline. An even earlier deadline is for ACRE, which will end June 3, 2013.

Date	s to Remember
June 17	Nomination for COC begins
July 4	Independence Day
	NAP deadline for barley, corn, dry beans and sorghum
	Acreage Report deadline for spring barley and oats
Aug 2	DCP sign up deadline

The 2013 DCP and ACRE program provisions are unchanged from 2012, except that all eligible participants in 2013 may choose to enroll in either DCP or ACRE for the 2013 crop year. This means that eligible producers who were enrolled in ACRE in 2012 may elect to enroll in DCP in 2013 or may re-enroll in ACRE in 2013. Likewise producers who were enrolled in DCP may opt for ACRE enrollment.

Read more about DCP and ACRE or contact the FSA county office for more information, or an appointment to enroll.



## **Payment Limitations**

All payment eligibility and payment limitation provisions, including Adjusted Gross Income (AGI) limitations, are extended for the 2013 crop year, program year, and fiscal year.

All rules and requirements effective for 2012 program payments and benefits are applicable to eligible recipients of 2013 program payment and benefits. This includes the requirements of actively engaged in farming, cash-rent tenant, substantive change, minor child, and spousal provisions. Payments will continue to be limited by direct attribution to person and legal entity.

#### Contributions

All partners, stockholders or members with an ownership interest in the legal entity must make a contribution, whether compensated or **not** compensated, for:

- Active personal labor,
- Active personal management,
- A combination of active personal labor and active personal management to the farming operation

Note that there are exceptions for spouses. Additional information on payment limitations is available at FSA county offices or online at: <a href="https://www.fsa.usda.gov">www.fsa.usda.gov</a>

### Natural Disaster Losses? Contact FSA

The Farm Service Agency administers agricultural assistance for natural disaster losses, resulting from drought, flood, fire, freeze, tornadoes, pest infestation, and other calamities. If you have experienced a loss on your farm or ranch due to a natural disaster, be sure to contact your local FSA office right away to report your loss and discuss possible FSA assistance eligibility.

Note that some FSA disaster assistance programs require advance enrollment and payment of a service fee. The Noninsured Crop Disaster Assistance Program (NAP) covers key crops and forage crops for which there is no program of commercial insurance. NAP Forage requires advance enrollment by Dec.1 prior to the crop year and also requires that the producer notify FSA within 15 days of the loss event or when the loss first becomes evident. Federal Crop Insurance Corporation contracts may also require that the producer file a report of loss with

the FSA in a timely manner.

In addition to NAP, currently funded FSA Programs that assist in natural disasters include the Emergency Conservation Program (ECP) and the Emergency Loan Program (EM) which is triggered by the USDA Secretary's Disaster Declaration.

### **Direct and Guaranteed Loans**

The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, or regularly borrow from FSA, direct and guaranteed loans are currently available.

Ask your lender about an FSA loan guarantee if you've had a setback and your lender is reluctant to extend or renew your loan. Guaranteed loans have a maximum limit of \$1,302,000. This makes the maximum combination of direct and guaranteed loan indebtedness \$1,602,000.

The one-time loan origination fee charged on FSA guaranteed farm ownership and operating loans is 1.5 percent of the guaranteed portion of the loan. To find out more about FSA loan programs, contact the county office staff.

### **Farm Reconstitutions**

For FSA program purposes, tracts having the same owner and the same operator are grouped under one farm serial number. When changes in 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 specific programs.

The following are the different methods used when doing a farm recon:

**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.

## **Banking Changes?**

If you changed banks and did not notified FSA, your payments could be delayed. Payments are electronically transferred into your bank account, if we are not aware of changes to your account and routing numbers, there could be problems. In order to make timely payments, you need to notify the office if you close your account or if another financial institution purchases your bank. It is important that any changes in a producer's account such as

type account, bank mergers, routing number or account numbers, be provided to the county office promptly to avoid possible payment delay.

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).