



Iowa FSA Today

November 2012

An Online Monthly Newsletter Covering the Hottest Topics in Federal Farm Programs

COUNTY COMMITTEE VOTING BEGINS

Ballots for this year's county committee election will be mailed to eligible voters on November 5, 2012. Voters must complete their ballots and return them to the Farm Service Agency county office by the close of business on December 3, 2012. If mailed, ballots must be post-marked by midnight December 3, 2012. Voters should contact their local FSA office to determine the Local Administrative Area (LAA), that will be selecting a representative for the county committee.

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

1. Be of legal voting age and have an interest in a farm or ranch as any of the following:
 - An individual
 - The authorized representative of an entity
 - Both spouses when property is owned jointly
 - Spouses in community property states.
2. Is not of legal voting age, but supervises and conducts the farming operations on an entire farm.
3. Participates or cooperates in any FSA program that is provided by law.

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.

2012 CRP Emergency Grazing Ends November 30

The Conservation Reserve Program (CRP) emergency grazing deadline is November 30, 2012.

Producers who took advantage of the emergency grazing extension must remove all livestock from CRP acres by the November 30th deadline. Producers must also provide ending acreage and producer usage report certifications to the Name County FSA office.

For questions regarding CRP emergency grazing, contact your local FSA office.

USDA ANNOUNCES DISASTER ASSISTANCE SIGN-UP FOR 2011 CROP LOSSES

Sign up for the Supplemental Revenue Assistance Payments (SURE) program for 2011 crop year losses began on October 22, 2012. Under the 2008 Farm Bill, SURE authorizes assistance to farmers and ranchers who suffered crop losses caused by natural disasters occurring through Sept. 30, 2011.

All eligible farmers and ranchers must sign up for 2011 SURE benefits before the June 7, 2013 deadline.

Producers in counties receiving a Secretarial Disaster Designation, whether primary or contiguous, and producers are eligible to apply for SURE benefits if they experienced at least a 10 percent production loss that affects one crop of

economic significance. Producers in other counties must have received at least a 50 percent production loss to qualify.

To meet program eligibility requirements, producers must have obtained a policy or plan of insurance through the Federal Crop Insurance Corporation or obtained Noninsured Crop Disaster Assistance Program (NAP) coverage for all economically significant crops. Eligible farmers and ranchers who meet the definition of a socially disadvantaged, limited resource or beginning farmer or rancher do not have to meet this requirement. Forage crops intended for grazing are not eligible for SURE benefits.

For more information on SURE program eligibility requirements contact your local FSA office or visit the website at <http://www.fsa.usda.gov/sure>.

NEW ACREAGE REPORTING DATES

Producers of perennial forage crops (grass, hay, alfalfa, and pasture) are encouraged to submit a 2013 acreage report for those crops by December 15, 2012 as well as fall seeded crops. It is also important to accurately report crops' intended use. Intended use is used to determine eligibility in many FSA programs and cannot be revised once reported. Late-filed fees will not be assessed if reported by June 30, 2013. This is also the same date for these crops to be reported to a crop insurance agent when carrying federal crop insurance.

FSA often receives requests for information about how farmers protect the soil and water resources of our nation. Producers with cover crops or other crops which protect the soil through the winter months should be recognized for their contribution to a better environment. When these crops are reported to FSA by December 15, FSA has the statistics to demonstrate this important impact. These crops hold valuable moisture through the winter months, as well as being a source of feed or bedding for livestock. In addition, these crops hold any available nitrogen for next year's crop instead of letting it slip away into our streams.

Spring seeded crops have a July 15, 2013 reporting deadline. Late-filing fees will apply if not reported timely.

For questions regarding acreage reporting deadlines, please contact the Name County FSA Office at Phone.

NAP CLOSING DATES

The following crops have a NAP application closing date of November 20, 2012: Apples, Apricots, Aronia Berries, Blueberries, Caneberries, Cherries, Chestnuts, Gooseberries, Stonefruit, and Walnuts.

Honey has a NAP application closing date of December 1, 2012. Honey producers who purchase coverage, will also need to report colony numbers by December 31, 2012.

In order to meet eligibility requirements for NAP, crops must be noninsurable, commercially-produced agricultural commodity crops for which the catastrophic risk protection level of crop insurance is not available. If the Risk Management Agency (RMA) offers coverage for a crop in the county, then NAP coverage is not available for that crop.

In the event of a natural disaster, NAP covers the amount of loss greater than 50 percent of the expected production based on the approved yield and reported acreage.

Eligible producers can apply for coverage using form CCC-471, Application

for Coverage. Producers must file the application and service fee by the November 20th deadline. The service fee is the lesser of \$250 per crop or \$750 per producer per administrative county, not to exceed a total of \$1,875 for a producer with farming interests in multiple counties.

Please contact your local FSA office for questions regarding NAP sales closing dates on these or other crops.

Dairy Indemnity Payment Program

Producers who have been directed by the Iowa Department of Agriculture to removed their raw milk from the commercial market because of contamination (a lot of times due to aflatoxin in the feed) may be eligible for DIPP. Producers will need to provide the following to their local County FSA Office:

- A completed CCC-373 "Dairy Indemnity Payment Program (DIPP) Application". This will show the number of cows milked, pounds marketed in the base and claim periods, milking practices, etc.
- Letter explaining how the milk was contaminated.
- Documentation from the Iowa Department of Agriculture showing "removal" from market as well as "reinstatement" to market.
- Base period production from the milk handler or the full month of production prior to the milk being dumped.
- Claim period production from the milk handler or the month during which the milk was removed from market.

Payment of DIPP applications is contingent upon the authority and availability of funds to pay the claims. Claims will be paid from available funds on a first-come, first-serve basis on the date the claims was approved. Approval of the claims will continue until all the funds have been spent. Claims received after the funds have been spent will not be paid. The deadline to apply is COB March 27, 2013. Affected producers should contact their local FSA office for

more information.

Hispanic and Women Farmer and Rancher Claims Period Now Open

Agriculture Secretary Tom Vilsack today announced that Hispanic and women farmers and ranchers who allege discrimination by the USDA in past decades can file claims between September 24, 2012 and March 25, 2013.

The process offers a voluntary alternative to litigation for each Hispanic or female farmer and rancher who can prove that USDA denied their applications for loan or loan servicing assistance for discriminatory reasons for certain time periods between 1981 and 2000.

As announced in February 2011, the voluntary claims process will make available at least \$1.33 billion for cash awards and tax relief payments, plus up to \$160 million in farm debt relief, to eligible Hispanic and women farmers and ranchers. There are no filing fees to participate in the program.

The Department will continue reaching out to potential Hispanic and female claimants, around the country to get the word out to individuals who may be eligible for this program so they have the opportunity to participate.

Call center representatives can be reached at 1-888-508-4429. Claimants must register for a claims package (by calling the number or visiting the website) and the claims package will be mailed to claimants. All those interested in learning more or receiving information about the claims process and claims packages are encouraged to attend meetings in your communities about the claims process and contact the website or claims telephone number.

Website: www.farmerclaims.gov

Phone: 1-888-508-4429

Claims Period: September 24, 2012 - March 25, 2013.

Independent legal services companies will administer the claims process and

adjudicate the claims. Although there are no filing fees to participate and a lawyer is not required to participate in the claims process, persons seeking legal advice may contact a lawyer or other legal services provider.

To read Secretary Tom Vilsack's entire news release issued on 9/24/12 click on the following link: <http://www.usda.gov/wps/portal/usda/usdahome?contentid=2012/09/0309.xml&contentidonly=true>

UPDATE YOUR RECORDS

FSA wants to keep you records up to date. If you have any unreported changes of address or zip code or an incorrect name or business name on file they need to be reported to our office. Changes in your farm operation, like the addition of a farm by lease or purchase, need to be reported to our office as well.

If you have any updates or corrections, please call your county FSA Office to update your records.

2009, 2010 AND 2011 RECONCILIATION REPORTS FOR CONSENT FORMS SENT TO IRS

In program years 2009, 2010 and 2011, producers were required to submit a CCC-926 or CCC-927 directly to the IRS which gives the IRS consent to report questionable incomes to FSA. Producers missing a consent to disclose form were sent a determination letter notifying the producer that they were ineligible for payment, giving the producer the right to appeal the determination by filing a CCC-931.

Producers who did not respond to the determination are now ineligible for payment, receivables were established and debt notification letters were sent. If you have concerns about the receivable or demand letter, please contact your local FSA Office for further assistance.

Local FSA offices are accepting late-file appeals for the CCC-931 until December 3, 2012. The only appeal available to producers missing AGI forms is to file a

CCC-931 and a written statement with FSA.

MARKETING ASSISTANCE LOANS

Marketing Assistance Loans, also referred to as Commodity Loans, are available to 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. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if you regain beneficial interest.

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.

FARM STORAGE FACILITY LOAN PROGRAM

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The maximum principal amount of a loan through FSFL is \$500,000. Participants are required to provide a minimum down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. Loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term may be different and are based on the rate which CCC borrows from the Treasury Department.

Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin. The following commodities are eligible

for farm storage facility loans:

- Corn, grain sorghum, soybeans, oats, wheat, barley or minor oilseeds harvested as whole grain
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain
- Pulse crops - lentils, small chickpeas and dry peas
- Hay
- Renewable biomass
- Fruits (including nuts) and vegetables for cold storage facilities

FSA Emergency Loans

Producers in all of Iowa counties are eligible for emergency loans. These loans help producers recover from production and physical losses due to drought, flooding, other natural disasters, or quarantine.

Loan Uses:

- Emergency loan funds may be used to:
- Restore or replace essential property;
- Pay all or part of production costs associated with the disaster year;
- Pay essential family living expenses;
- Reorganize the farming operation; and
- Refinance certain debts.

Loan funds are available at 2.125% interest. Loan amounts and eligibility will be determined based on the level of loss.

Further information and applications for Emergency loans are available at local FSA county offices.

Unauthorized Disposition of Grain

If loan grain has been 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 producer's name will be placed on a loan violation list for a two-year period. Always call before you haul any grain un-

der loan.

FSA Signature Policy

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits. The following are FSA signature guidelines:

Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office

Spouses shall not sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities

For additional clarification on proper signatures contact your local FSA office.

Changing Banks

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.

Increased Guaranteed Loan Limit

The Farm Service Agency has announced that the loan limit for the Guaranteed Loan Program increased to \$1,302,000 on October 1, 2012. The limit is adjusted annually based on data compiled by the National Agricultural Statistics Service.

The lending limit increases every year according to an inflation index. The maximum combined guaranteed and direct farm loan indebtedness will also be increased to \$1,602,000.

As a reminder, 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.

Producers should contact their local FSA County Offices with questions about farm loans.

RURAL YOUTH LOANS

FSA 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.

Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Reside in a rural area, city or town with a population of 50,000 or fewer people
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms. The FSA staff can help you with questions you may have about a particular program.

BEGINNING FARMER LOANS

FSA has a program to assist beginning farmers and/or members of socially disadvantaged groups to finance agricultur-

al enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Except for operating loan assistance, does not own farm acreage in excess of 30 percent of the county's median size

Each member of an entity must meet the eligibility requirements. Loan approval is not guaranteed.

Additional program information, loan applications, and other materials are available at the local USDA Service Center or visit www.fsa.usda.gov.

LOANS FOR SOCIALLY DISADVANTAGED

FSA has programs to assist beginning, minority, and women farmers to finance agricultural enterprises. As these groups are traditionally under-represented in agriculture, FSA has a special pool of funds to assist these operations. Under these designated programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Does not own a farm in excess of 30 percent of the county's median size.

Each member of an entity must meet the eligibility requirements. Loan approval is not guaranteed.

Additional program information, loan

applications, and other materials are available at the local USDA Service Center or visit www.fsa.usda.gov.

Selling Land and CRP

If you're planning to sell farmland, remember there could be some program consequences you should be aware of. For example, if the land is enrolled in the Conservation Reserve Program, the buyer must agree to continue the enrollment. If the buyer doesn't want to continue the CRP contract, you might have to refund all of the payments you've received to date. To prevent this and other program implications, review program requirements with your local Farm Service Agency staff before completing a sale of land.

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.

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

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.

Help Grow Your Farm Future

In just a few months, America's farmers and ranchers will have the opportunity to make a positive impact on their communities by taking part in the Census of Agriculture. Conducted every five years by USDA's National Agricultural Statistics Service (NASS), the Census captures a complete count of all U.S. farms, ranches, and those who operate them.

Census data is used by all those who serve farmers and rural communities from federal, state, and local government to agribusinesses and trade associations. Companies and cooperative can use the information to determine the locations of facilities that will serve agricultural producers. Often legislators use the information when shaping farm policies and programs.

As preparations continue for his year's Census of Agriculture, we call on farmers and ranchers to share their stories, ask questions and talk to their fellow producer about this critical effort. Your answers to the Census help grow your farm future; shape farm programs; and boost service to you, your community, and your industry.

NASS will mail out Census forms in late December, and responses are due by February 4th, 2013. Producer also have te option to complete their forms online. After all, the Census is your voice, your future, and your responsibility. For more information about the Census, visit

www.agcensus.usad.gov or call 1-888-4AG-STAT (1-888-424-7828).

Readers are advised that dates for FSA programs in Iowa could be county-specific. Please contact your local FSA office for detailed information pertaining to you operation.

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay).