



June 2010

Tennessee FSA News

USDA Tennessee FSA

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Hours
Monday - Friday
7:30 a.m. - 4:30 p.m.

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Tree Assistance Program Signup

Tree Assistance Program (TAP) signup for orchardists and nursery tree growers began Monday, May 10, 2010, at local Farm Service Agency (FSA) offices.

TAP provides help to orchardists and nursery tree growers who produce trees, bushes and vines for commercial purposes, to replant or rehabilitate trees, bushes and vines damaged or destroyed by natural disasters. The 2008 Farm Bill expanded eligibility to include Christmas tree and nursery tree growers that were ineligible under prior legislation. Trees grown for pulp or timber are not eligible.

To be eligible producers must have suffered more than a 15 percent death loss due to the natural disaster after adjustment for normal mortality. TAP is a cost-reimbursement program, with payments covering up to 70 percent of replant costs and 50 percent of pruning, removal and other salvaging costs for replacing or salvaging damaged trees.

Producers can receive assistance for up to 500 acres of trees, bushes or vines. Producers must also have purchased a policy or plan of insurance under the Federal Crop Insurance Act or Noninsured Crop Disaster Assistance Program, or for 2008, obtained a waiver of the risk management purchase requirement through the buy-in provision. Eligible losses must have occurred on or after Jan. 1, 2008, and before Oct. 1, 2011.

For more information on the new TAP program, contact your county FSA office or the website at

<http://www.fsa.usda.gov>.

Transition Incentives Program

The Transition Incentives Program (TIP) was created to encourage retired or retiring owners or operators to transition their Conservation Reserve Program (CRP) acres to beginning or socially disadvantaged farmers or ranchers.

TIP sign up began on Monday, May 17, 2010. If all program requirements are met, TIP provides annual rental payments to the retiring farmer for up to two additional years after the date of the expiration of the CRP contract, provided the transition is not to a family member.

To be eligible, TIP requires that the retired or retiring farmer or rancher:

- Have land enrolled in the Conservation Reserve Program (CRP) that is in the last year of the contract.
- Agree to allow the beginning or socially disadvantaged farmer or rancher make conservation and land improvements.
- Agree to sell, or have a contract to sell, or agree to long-term lease (a minimum of 5 years) the land under CRP contract to a beginning or socially disadvantaged farmer or rancher by Oct. 1 of the year the CRP contract expires.

Generally, TIP only applies to contracts that expire on September 30, 2010, or later. However, retired or retiring owners or operators with CRP contracts that expired on September 30, 2008, and September 30, 2009, may be eligible to enroll in TIP. To learn more about this program, producers interested in applying and participating in TIP should visit their USDA Farm Service Agency (FSA) county office or www.fsa.usda.gov.



Farm Loan Programs

The FSA offers loans for farmers and ranchers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, borrowers might have suffered setbacks from natural disasters or might be persons with limited resources.

Farm ownership loans or farm operating loans may be obtained as direct loans up to a maximum of \$300,000. Guaranteed loans can reach a maximum of \$1,112,000. Emergency loans are always direct loans for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth Loans, Loans to Beginning Farmers and loans for socially disadvantaged applicants are also available through FSA.

For details contact the county office staff for an appointment with a farm loan officer.

GIS

As part of a program to digitally map the nation's farms and fields, the United States Department of Agriculture (USDA) has established the Common Land Unit (CLU) as a standardized GIS (Geographic Information Systems) data layer that has allowed mapping to be integrated easily on a nationwide basis. The Farm Service Agency manages this CLU data layer through a distributed database environment for all field service centers throughout the country.

Using GIS provides for more consistent and more accurate land measurements, such as field acreage and acreage boundaries of conservation practices, such as riparian buffers. With high quality digital imagery, new land use changes (farm transfers and land subdivisions) can be easily updated. Maps can be created in either paper or digital format for FSA customers or the public.

More information about the Common Land Unit and NAIP imagery can be found by visiting on-line, APFO (Aerial Photography Field Office) at www.apfo.usda.gov

FSA Signature Policy

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 exceptions to the rule, where spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities.

Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents.

For more clarification on spousal signature authority, contact your local FSA office.

Compliance

Compliance and spot checks will once again be utilized during the 2010 crop year. Instead of locally selecting farms, contracts, deficiency loans, etc. for spot check and review, a nationwide selection of producers is used to achieve a statistical sampling of participating producers. Spot check selections are to be conducted based on a producer's participation in Conservation Reserve Program, Direct and Counter-cyclical Program, Loan Deficiency Program, etc.

State and county offices shall view and print their producer spot check lists as posted on the designated web site. If an entity is selected from the national database that is no longer farming or participating in the 2010 crop year, a notation shall be made on the spot check list. For more information about the new spot check selection procedure, feel free to contact your local office for additional clarification.

Special Accommodations

Reasonable accommodations will be made, upon request, for individuals with disabilities, vision impairment, or hearing impairment to attend or participate in meetings or events sponsored by the Farm Service Agency. If you require special accommodations to attend or participate in one of our events, please call the FSA county office and we will be happy to make any needed arrangements.

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 needed. 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 **August 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.

Online Services

If you have Internet access you can electronically log on, fill out and print a variety of FSA paper forms in the comfort of your home as your schedule allows. You can also register for secure electronic access that will allow you to electronically sign and transmit some forms directly to the county office staff. If you are new to the website, first you will want to obtain a Level 2 USDA Service Center Customer ID and password at: <http://www.eauth.egov.usda.gov/> and then click on "Create an Account Page" link.

USDA eAuthentication is the system used by USDA agencies to enable customers to obtain accounts that will allow them to

access USDA Web applications and services via the Internet. This includes things such as submitting forms electronically, filing eLDPs, completing DCP contracts, filling out surveys online, and checking the status of your USDA accounts.

If you already have a Customer ID and password, then click on the following eForms website at: <http://forms.sc.egov.usda.gov/eforms/mainservlet> and then click on the "Sign In" button. A disclaimer window will open and after you read the "Warning message", click on the "Continue" button.

Then the USDA Web services page will open to the eAuthentication login page. Enter your login User ID and password and then click on the "Login" button. Submitting an e-Form is convenient. You can access information anytime day or night seven days a week. Forms along with applications can be submitted and received in the county office in a matter of minutes.

Controlled Substances

Program participants convicted under federal or state law of any planting, cultivating, growing, producing, harvesting or storing a controlled substance are ineligible for any and all program payments and benefits. If convicted, the participant shall be ineligible for direct and counter-cyclical payments, price support loans, loan deficiency payments, market loan gains, storage payments, farm facility loans, Non-insured Crop Disaster Assistance Program payments or disaster payments.

Program participants convicted of any federal or state offense consisting of the distribution (trafficking) of a controlled substance shall, at the discretion of the court, be ineligible:

- for up to 5 years after the first conviction
- for up to 10 years after the second conviction
- permanently for a third or subsequent conviction.

Program participants convicted of federal or state offense for the possession of a controlled substance shall be ineligible, at the discretion of the court, for any or all program benefits, as follows:

- up to 1 year upon the first conviction
- up to 5 years after a second or subsequent conviction.

[Name] County FSA Office
 Address Line 2
 Address Line 3



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Banking Changes?

Almost all Farm Service Agency payments are made electronically using Direct Deposit. This innovation has cut down on the number of missing and late payments and reduced the time required to move funds. It has been calculated that having a problem with a payment is 20 times greater with checks than with Direct Deposit. Another benefit is that Direct Deposit to your account can be made within 48 hours.

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.

Selected Interest Rates for June 2010		Dates to Remember	
90-Day Treasury Bill	0.125%	Varies by Crop	NAP Sign-up Ends
Farm Operating - Direct	3.125%	May 10	Tree Assistance Signup Opened
Farm Ownership - Direct	5.125%	May 17	Transition Incentive Program Signup Opened
Limited Resource	5.00%	1 June	DCP Sign-up Closes
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%	1 June	Recons Should be filed
Emergency	3.75%	15 June	COC Election Nominations Open
Farm Storage Facility	3.0-3.875%	1 August	Recons must be requested
Sugar Storage Facility	4.125%		
Commodity Loans 1996-Present	1.375%		

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."