



NEWSLETTER



USDA Oklahoma FSA

March 2011

Francie Kucera Tolle State Executive Director

100 USDA, Suite 102
Stillwater, OK 74074

405-742-1130 phone
405-742-1177 fax
www.fsa.usda.gov/ok

Hours:

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

State Committee Members:

Cletus Carter, Beaver
(Chairman)

Steve Nunley, Marlow

Brenda Neufeld, Fairview

Steve Butler, Wagoner

Jack Sherry, Holdenville

State Staff:

Phil Estes,
Farm Loan Programs

Tona Huggins,
Production & Payment
Eligibility

Rod Wanger,
Conservation Programs

Danny Lee,
Compliance & Price Support

Marty Alberts,
Administration

Shelly Bilderback,
Public Relations/Outreach

FSA Boosting Oklahoma's Economy

The Oklahoma Farm Service Agency (FSA) provided over \$422 million in assistance to the state's agricultural producers during fiscal year 2010, October 1, 2009 through September 30, 2010. These funds provide farmers and ranchers with assistance to recover from disasters, implement conservation practices and with commodity price support to insure the well-being of American agriculture.

Oklahoma FSA FY 2010 Program Information			
Direct and Counter Cyclical Program (DCP)	\$116,470,343	Livestock Forage Disaster Program (LFP)	\$6,057,344
Direct Loan Program	\$98,000,000	Farm Storage Facility Loans	\$2,681,850
Guaranteed Loan Program	\$90,800,000	Livestock Indemnity Program (LIP)	\$2,605,201
Average Crop Revenue Election (ACRE)	\$36,775,463	Emergency Conservation Program (ECP)	\$2,062,866
Conservation Reserve Program (CRP)	\$28,083,207	Diary Economic Loss Assistance Payment (DELAP)	\$1,244,805
Supplemental Revenue Assistance (SURE)	\$20,578,656	Biomass Crop Assistance Program (BCAP)	\$861,109
Non-Insured Crop Disaster Assistance Program (NAP)	\$8,404,604	Milk Income Loss Contract Program (MILC)	\$764,185
Commodity Loans	\$8,247,297	Grassland Reserve Program (GRP)	\$533,367

CRP General Signup Begins March 14

The next general signup for the Conservation Reserve Program (CRP) will begin March 14, 2011 and continue through April 15, 2011. Through CRP, land is removed from production and placed in a vegetative cover in return for rental contract compensation up to 15 years. Producers may obtain specific eligibility requirements and offer eligible cropland for CRP at their local FSA office.

Some of the general eligibility requirements are: (1) the land must have been owned 12-months prior to offer, (2) the land must have been cropped four of the six years from 2002 to 2007, and (3) have a weighted average erosion index of eight or higher or be in a state priority area.

Land currently in CRP that will be expiring September 30, 2011, is eligible to be offered. Producers with land that expired from CRP in a year previous to 2011 may be eligible if the three criteria mentioned above can be met. The CRP pays a yearly rental rate on acreage accepted in the program according to a calculated rate considering soil productivity and average dryland cash rent. A 50 percent cost share is paid to establish the vegetative cover. Fact Sheets on CRP signup 41 and the evaluation of offers using the Environmental Benefits Index calculation are located on the FSA web site: www.fsa.usda.gov. Offers accepted in signup 41 will have a contract beginning date of October 1, 2011.

Acreage Reports

Producers who participate in DCP, ACRE, NAP, SURE, LFP, Emergency Livestock Assistance Program (ELAP), or request a commodity loan or loan deficiency payment (LDP) will be required to report all crops planted or those growing on the participating farms annually. CRP acreage must be reported to receive the CRP annual rental payments. Any crop acreage for which NAP benefits will be requested must be reported to establish eligibility of the crop and producer. Producers who request prevented planting acreage credit must report the acreage within 15 calendar days after the final planting date. If a producer wants to request failed acreage credit, the acreage must be reported as failed acreage before the disposition of the crop. The COC will determine eligibility for failed acreage credit. The owner, operator, person authorized by power-of-attorney or tenant may report crop acreage for which they have a share. These acreage reports are required for program participation in 2011 and subsequent years.

The final date to timely report fall seeded and spring seeded small grain crops are:

- **May 31** for Alfalfa, Beaver, Cimarron, Ellis, Garfield, Grant, Harper, Kay, Major, Noble, Texas, Woods, and Woodward counties.
- **May 15** for all other counties.

The final date to report all other crops in all counties is **August 1**.

Note: If the crop has NAP coverage, it must be reported 15 calendar days before the onset of harvest or grazing of the specific crop acreage being reported.

2011 DCP and ACRE Deadlines

The enrollment period for both 2011 DCP and ACRE ends June 1, 2011. For those of you participating in ACRE, the deadline to provide 2010 production is July 15, 2011.

NonInsured Crop Disaster Assistance Program (NAP)

NAP provides financial assistance to eligible producers affected by crop losses due to natural disaster. NAP coverage also provides potential eligibility for various disaster programs. Although the 2011 application closing date for all crops except some spring planted crops has passed, FSA has begun taking applications for 2012. If you had coverage for 2010, make certain to report your 2010 production by the upcoming 2011 acreage reporting date noted above. If you have coverage for 2011, report any losses (on form CCC-576) within 15 days of when the loss becomes apparent. Contact your local office for further information and applicable deadlines.

Livestock Indemnity Program (LIP)

The Livestock Indemnity Program is available for livestock owners and contract growers (swine and poultry) to receive payment on livestock lost due to an adverse weather event, if the losses were in excess of the normal mortality rate. Adverse weather events include tornados, blizzards, floods, wildfire, disease (not treatable by management or vaccine), extreme heat, extreme cold, winter storms, hail, and lightning. A report of livestock loss must be reported to the local county FSA office within the earlier of 30 days of when the livestock loss was apparent or 30 calendar days after the end of the calendar year of which the loss occurred. Finalizing the LIP application for payment, which includes the submission of all required documentation and signature of certification, must be received 30 calendar days after the end of the calendar year in which the loss occurred.

Supplemental Revenue Assistance Payments (SURE)

As a critical element of the FSA farm safety net, the SURE Program provides financial assistance to producers who suffer qualifying losses due to natural disasters. To qualify for SURE requires that producers implement risk management measures by enrolling in either crop insurance or NAP for all crops. SURE evaluates qualifying losses based on total farm revenue, not individual crop losses.

Deadline for applying for 2009 SURE is July 29, 2011.

Payment Limitation

Program payments are limited by direct attribution to individuals or entities. Through direct attribution, payments are limited based on total payment received by an individual, both directly and indirectly. Individuals and entities must be "actively engaged in farming" or meet "cash rent tenant" rules to be eligible for specified payments and benefits.

Do you have a Revocable or Living Trust?

Many individuals are forming trusts for tax and estate-planning purposes. Are you one? If so, make sure to let FSA know that your farming operation is now being run through a trust. Eligibility for program benefits is contingent on the records showing the correct producer. If you have established a trust, FSA needs to update our records.

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 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, a reconstitution must be requested by August 1 for farms enrolled in specific programs.

Existing Durable Power of Attorney

For those of you who have an existing power of attorney, while that is sufficient to take care of most of your non-FSA business, FSA has a form FSA-211 that needs to be completed to allow your attorney-in-fact to take care of whatever FSA business you wish them to do on your behalf. If you find it difficult to visit the county office personally, contact FSA for more information on the FSA power of attorney.

FSA Farm Loan Programs

FSA offers loans to farmers and ranchers to purchase farmland and finance agricultural operations. FSA loans are targeted for individuals or entities that are temporarily unable to obtain credit from a commercial lender at their regular rates and terms. FSA loan programs are also designed to target beginning farmers and socially disadvantaged farmers and ranchers.

Direct FSA Loans - loans that are made directly through FSA for agriculture purposes to those applicants who do not qualify for commercial financing. The applicant works directly with the local FSA office. Loan limitations on both Direct Farm Ownership loans and Direct Operating loans are a maximum of \$300,000.

Guaranteed FSA Loans - loans that are made through a commercial lender, for agriculture purposes, in which FSA guarantees up to 95% of the funds, depending on qualifying criteria. The applicant works directly with the lender, who in turn works with FSA. Loan limitations on both Guaranteed Farm Ownership loans and Guaranteed Operating loans are a maximum of \$1,112,000.

NEW - Conservation Loan Program (CL)

The Farm Service Agency makes and guarantees conservation loans on farms and ranches to help conserve our natural resources. The Conservation Loan Program provides farmers with the credit necessary to implement conservation measures on their land.

The direct CLs loan limit is up to \$300,000 and guaranteed CLs up to \$1,119,000 (amount adjusted for inflation), may be available by applying with lenders working with FSA to obtain a guarantee.

Conservation practices must be approved by NRCS before FSA can provide financing. Producers who do not currently have an existing conservation plan should visit NRCS to develop one prior to requesting Conservation Loan Program assistance. Examples of conservation practices include installation of conservation structures; establishment of forest cover; installation of water conservation measures; establishment or improvement of permanent pastures; transitioning to organic production; manure management, including manure digestion systems; etc.

Transition Incentives Program (TIP)

The Transition Incentives Program provides up to two additional CRP annual rental payments to a retired or retiring owner or operator of land under an expiring CRP contract if the land is sold or leased for at least five years to a non-family member beginning or socially disadvantaged farmer or rancher for the purpose of returning some or all of the land to production using sustainable grazing or crop production methods. Producers with CRP land expiring September 30, 2011 are currently eligible for the program. A TIP agreement must be signed in the local FSA office prior to land sale or lease completion. A "Tip Net" service site can be accessed at www.fsa.usda.gov where producers with CRP ground available or beginning farmers or socially disadvantaged farmers desiring CRP land for TIP can post and connect with one another. Full details on TIP can be obtained from the local FSA office.

Highly Erodible Land (HEL) and Wetland Conservation (WC) Compliance

Landowners and operators are reminded that in order to receive payments from USDA, compliance with HEL/WC provisions are required. Farmers with HEL determined soils are reminded that these soils must be farmed according to an approved conservation plan or system. When considering land clearing or drainage projects, the local FSA office should be notified before the activity begins to assure the project will be in compliance with WC provisions. Federal benefits are dependent on HEL/WC compliance.

IMPORTANT NOTE:

Readers are advised to contact their local FSA office for detailed program information pertaining to your particular agricultural operation.

Additional information for all FSA programs may also be obtained by visiting www.fsa.usda.gov.

Do your FSA and Insurance Records Match?

Many FSA programs use your insurance information. Eligibility for program benefits is dependent on the records showing the correct producer. Look at your insurance and FSA records and make sure both reflect the correct producer.

Farm Storage Facility Structure Loans

Loans are available with FSA to construct grain storage bins, hay storage structures, and structures to store fruits and vegetables. Additionally, permanent handling equipment for the facility is also eligible for loan such as refrigeration, monitors, augers, etc. To be eligible for the loan you must be a producer of the commodity to be stored. Loan terms range from 7, 10, or 12 years depending on loan amounts. Maximum loan amount is \$500,000 per loan. Loan applications must be approved before construction begins. Interest rates depend on the loan term. Current interest rate for a 7 year loan is 3.125%. Loans over \$50,000 must be secured by real estate equal to 100% of the loan amount.

Livestock Forage Disaster Program (LFP)

LFP compensates eligible livestock producers who suffer grazing losses for covered livestock due to drought conditions or fire on federally managed land. Eligible livestock producers may receive assistance for eligible livestock grazing losses that occur due to drought or fire on or during the calendar year in which the loss occurs. In order for an LFP applicant to qualify for program benefits, the applicant must have purchased insurance coverage through FSA's NAP or the Pasture, Rangeland and Forage Insurance (PRF) program offered through the Risk Management Agency (RMA). County committees can only accept applications only after being notified of a qualifying drought or fire. Oklahoma only has McCurtain County eligible at this time but with the current drought conditions, other counties may become eligible. Contact your local FSA office for further details. After a county becomes eligible, applications for 2011 LFP benefits must be filed no later than January 30, 2012. *Late filed applications for LFP cannot be approved.*

Oklahoma State FSA Office
 100 USDA, Suite 102
 Stillwater, OK 74074



PRESORTED STANDARD
 U.S. POSTAGE PAID
 Kansas City, MO
 PERMIT #2292

Dates to Remember	
March 14 - April 15	Conservation Reserve Program Signup 41
March 15	2011 NAP application closing date for most summer crops
May 15 or 31	2010 winter crop NAP production report deadline
May 15 or 31	2011 small grain acreage report deadline
June 1	2011 DCP and ACRE enrollment deadline
July 15	2010 ACRE crop production report date
July 29	2009 SURE application deadline
August 1	2010 spring and summer crop NAP production report deadline
August 1	2011 summer crop acreage report deadline

Minority and Socially Disadvantaged Farmer Assistance

Farmers who have concerns and questions about loan applications filed with local offices can call 1-866-538-2610 FAX: 1-866-302-1760 or e-mail: msda@msda.wdc.usda.gov

Check Your ID Number

If you received any payments from FSA during 2010, you were provided with a CCC-1099 for tax reporting purposes. Look at the ID number included on the form and contact your local FSA office immediately if the ID number shown on the form is not the correct number.

Reasonable Accommodation Statement

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.

Minority Farm Register

USDA offers the Minority Farm Register to promote equal access to USDA farm programs and services for minority individuals with agricultural interest. Participation is voluntary and information provided will be used to assist USDA and approved outreach partners to keep you better informed. The register is available at your local USDA Service Center or at www.fsa.usda.gov.

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.) To file a complaint of discrimination, write to USDA, 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). USDA is an equal opportunity provider, employer and lender.