



# NEWSLETTER



## July 2012 ALASKA FSA Offices

### Northern County Office

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99737

### County Executive Director

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### Southern County Office

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### County Executive Director

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

### State Executive Director

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### State Committee

Arthur Keyes, Chair  
Mike Schultz, Member

## FSA State Director's Column Get Ready to Apply for This Year's Transportation Reimbursement Payments!

I hope all of you have been keeping track of your farm-related expenses over the past nine months. Costs associated with the production or transportation of an agricultural product may be eligible for partial reimbursement through FSA's newest program, the Reimbursement Transportation Cost Payment Program for Geographically Disadvantaged Farmers and Ranchers (RTCP). This year's program will cover costs incurred from October 1, 2011 through September 30, 2012 (Fiscal Year 2012).

Sign-up for Fiscal Year 2012 will begin on July 23, 2012, and end on Sept. 10, 2012. Applicants must file their RTCP application for benefits, in their FSA office no later than Sept. 10, 2012. Applicants will have until Nov. 5, 2012, to provide supporting documentation of actual costs of transporting agricultural inputs and commodities in fiscal year 2012 to the FSA county office. In most cases, copies of credit card transactions for expenses such as fuel, feed, fertilizer or supplies will be sufficient documentation. Easy-to-file application forms, FAQ's and other information will be available at [www.fsa.usda.gov/ak](http://www.fsa.usda.gov/ak), at FSA offices in Palmer and Delta, or at other USDA offices around the state. Keep checking our website for the latest updates. Sincerely,

## Over the Counter Channel (OTCnet)

FSA/CCC is implementing OTCnet, an electronic method for processing customer check payments. When a check is submitted for payment either in person or through the mail, the check will be converted into an Electronic Funds Transfer (EFT). Within 24 hours, the funds may be debited from the

producer's account. Please see the U.S. Department of Treasury notices posted in the Service Center or visit the following Department of Treasury site for detailed information:

<http://fms.treas.gov/otcnet/legal.html>

### What is OTCnet?

OTCnet is a web-based online application process for converting paper checks presented to FSA into electronic debits to the producer's checking account. Benefits include reducing lost/misplaced checks, less paper handling, improved customer relations, more efficient check clearing process and reducing the potential for human error.

### How will my check be handled?

The check will be scanned into the system and voided. The customer will not receive the check back from FSA. FSA will hold checks for up to 14 calendar days to ensure that the item was successfully processed, and then FSA will shred the check

### How quickly will funds be transferred from my account?

The transfer of funds from your account could occur within 24 hours. Therefore, you should be sure that you have sufficient funds in your account to process the transaction. If you do **not** have sufficient funds, we may initiate the transaction again.

### How will this transaction appear on my account statement?

The transfer of funds reflected on your account statement may be recorded in a different place on your statement. The transaction may appear under "withdrawals" or "other transactions".

### What are my rights if there is a problem with the transaction?

You have protections under Federal law for an unauthorized electronic fund transfer from your account. You should contact your financial institution immediately if you believe that a transaction reported on your account statement was not properly authorized or is otherwise incorrect.

**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](http://www.farmerclaims.gov)

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



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## Consider Being a County Committee Member

**County committee nominations are open from June 15, 2012 through August 1, 2012.**

The election of agricultural producers to Farm Service Agency county committees is important to ALL farmers and ranchers. Every eligible producer should participate in these elections to strengthen the link between the agricultural community and the U.S. Department of Agriculture.

County committee members are a critical component in the delivery of FSA services and programs at the local level. Farmers and ranchers who serve on county committees help with key decisions on programs in their counties and work to ensure FSA agricultural programs serve the needs of local producers.

Operating within official regulations designed to carry out federal laws, FSA county committees apply their local knowledge to make key program administration decisions.

For more information just contact your local FSA office.

### County Committee Nominations

The County Committee nomination period runs from June 15, 2012 through August 1, 2012. If you are interested in serving on an FSA County Committee, or know someone who would make a good member, contact your local FSA office.

Nominees must complete and sign form FSA-669A available at USDA Service Centers and online at:

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

**A 2012 election is being held in the following LAAs:**

#### Southern County LAA -1

**LAA-1** Includes all of the following boroughs and census areas: Wade Hampton, Bethel, Dillingham, Bristol Bay, Lake & Peninsula, Aleutians East and West, Kodiak Island and the Kenai Peninsula Borough south of the Kasilof river (includes Homer and surrounding area).

#### Northern County LAA-3

**LAA-3** Includes the area beginning at the SE corner of the Matsu Borough proceeding north to NW corner of SE Fairbanks Census area, east to line following Clearwater road intersecting AK Hwy, proceeding SE to AKGREAA line, south then SE following line to Canadian border, south following Canadian border to Chugach Mtn. Range, turning west following Chugach Mtn. west to SW corner of Matsu Borough. (Includes Delta Junction, Glennallen, and Kenny Lake.)

## MILC Program

FSA's Milk Income Loss Contract Program (MILC) compensates dairy producers when domestic milk prices fall below a specified level. MILC payments are made when the Boston Class I milk price falls below \$16.94 per hundredweight (cwt) as adjusted by the dairy feed ration adjustment. The monthly Boston price is posted online at:

[http://www.fmmone.com/Northeast\\_Order\\_Prices/NE\\_Prices\\_main\\_new.htm](http://www.fmmone.com/Northeast_Order_Prices/NE_Prices_main_new.htm).

Eligible producers should submit the current MILC (Milk Income Loss Contract) statements for payment. Eligibility for 2012 must be completed before payments can be disbursed. Contact the office to check the status of your eligibility. Producers new to the program are encouraged to apply before Sept. 30, 2012.

State and county offices shall view and print their producer spot check lists as posted on the designated website. If an entity is selected from the national database that is no longer farming or participating in the 2012 crop year, a notation shall be made on the spot check list. For more information about the new spot check selection procedure, contact the local office.

## Loans for the Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans to purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, FSA has provided priority funding for socially disadvantaged applicants.

A socially disadvantaged applicant is a member of a group that has been subjected to racial, ethnic or gender prejudice because of his or her identity as a group member without regard to his or her individual qualities.

For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

If producers or their spouses believe they would qualify as socially disadvantaged, they should contact their local FSA office for details. FSA loans are available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

## 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 **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.

## Filing for NAP Losses

Form CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. Timely filing a Notice of Loss is required for all crops including grasses. For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP) and crop insurance, you must file a CCC-576, Notice of Loss, in the FSA County Office within 15 days of the occurrence of the disaster or when losses become apparent.

If filing for prevented planting, an acreage report and CCC-576 must be filed within 15 calendar days of the final planting date for the crop.

## Highly Erodible Lands and Wetland Compliance

Producers participating in most programs administered by the Farm Service Agency (FSA) and the Natural Resources Conservation Service (NRCS) are required to abide by certain stipulations on any land owned or farmed that is highly erodible or that is considered a wetland.

To be in compliance with the highly erodible land conservation and wetland conservation provisions, producers must agree, that they **will not**:

- Produce an agricultural commodity on highly erodible land without a conservation system;

- Plant an agricultural commodity on a converted wetland;

- Convert a wetland to make possible the production of an agricultural commodity.

Producers must notify the FSA and update Form AD-1026 if they plan to remove fence rows, convert woodlots to cropland, combine crop fields, divide a crop field into two or more fields, install new drainage, or improve or modify existing drainage. FSA will notify NRCS who will then provide highly erodible land or wetland technical determinations.

To get additional information on highly erodible land and wetland conservation compliance contact the FSA office or the NRCS office at a local USDA Service Center. Additional information about conservation programs offered by FSA can be found online at [www.fsa.usda.gov/conservation](http://www.fsa.usda.gov/conservation), and information on NRCS programs can be found at <http://www.nrcs.usda.gov>.

## Successor-In-Interest

Many FSA programs will allow payments to be made to heirs or successors when a program participant passes away. Additionally, contracts in programs such as CRP must be revised to reflect the successor(s) to a deceased participant's interest.

In the event of an FSA program participant's death, it is important that FSA be notified. Entities and joint operations that participate in FSA programs also need to notify FSA if a shareholder or member passes away. FSA benefits are reported to IRS and maintaining current, accurate participant records is vital to ensuring that those payments are reported correctly.

## Foreign Landowner Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign persons who have purchased or sold agricultural land in the county to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25 percent of the fair market value of the property.

County government offices, real estate agents, attorneys and others involved in real estate transactions are advised to notify foreign investors of these reporting requirements.

## Sign Up for FSA Fence Post for Daily Updates

The Farm Service Agency Fence Post is an online newsletter that is updated on an almost daily basis. It contains articles of interest on the agency's programs and departments, as well as success stories from the field. To access Fence Post visit <http://fsa.blogs.govdelivery.com/>. Producers can sign up for weekly Fence Post updates by putting an email address in box that says "Get Email Updates."

## GovDelivery – Free Reminders

The USDA Farm Service Agency offices are moving into paperless operation to save your tax payer dollars. Producers can now enroll in the new **GovDelivery** system to receive instant electronic deadline reminders, bulletins and newsletters direct to your email address. Now you don't have to wait for a printed newsletter only occasionally sent through the mail.

Producers can subscribe to receive free e-mail updates by visiting this free enrollment website: [www.fsa.usda.gov/subscribe](http://www.fsa.usda.gov/subscribe). You can also call your local Farm Service Agency office. Give it a try right now. All you need is an email address for yourself or a family member where you can receive the useful email updates.

Selected Interest Rates for July 2012	
Farm Operating - Direct	1.250%
Farm Ownership - Direct	3.375%
Limited Resource	5.000%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Farm Storage Facility Loan 7 year	1.125%
10 year	1.625%
12 year	1.875%
Commodity Loans 1996-Present	1.250%

Dates to Remember	
Aug. 1	Last Day to file COC nomination form
Nov. 5	COC ballots mailed to eligible voters
Dec. 3	Last day to return voted COC ballots to the USDA Service Center
Jan. 1, 2013	Newly elected county committee members take office

The U.S. Department of Agriculture (USDA) prohibits discrimination in all of 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, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (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 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).

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