



NEWSLETTER



July 2012

Maricopa Farm Service Agency Office

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Executive
Director

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

Maricopa County Staff

Shawneen Stevenson,
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County Committee Nominations

The County Committee nomination period runs from June 15, 2012 through August 1, 2012. For detailed information contact your local FSA office.

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.

DCP Sign-Up Deadline

Enrollment for the 2012 Direct and Counter-Cyclical Program (DCP) will continue through June 1, 2012. USDA urges producers to make use of the eDCP automated website to sign-up or visit any USDA Service Center to complete the 2012 DCP contract.

USDA computes DCP Program payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For more information on this or other programs, contact the nearest FSA office.

Crop Reporting

The annual, timely and accurate reporting of acres for all crops and land uses, including failed acreage, can prevent loss of benefits for a variety of Farm Service Agency programs. All cropland on the farm must be reported to receive benefits from the Direct and Counter-Cyclical Program, marketing assistance loans and Load Deficiency Payments.

Conservation Reserve Program acreage must be reported to receive annual rental payments. Crop acreage for Non-Insured Crop Disaster Assistance Program (NAP) also must be reported.

Crop reports— form FSA-578, Report of Acreage — must account for all cropland on a farm, whether idle or planted. Producers need to file their acreage reports by July 15 for Cotton, Corn and all other crops.

Prevented Planting:

Prevented planting needs to be reported no later than 15 calendar days after the final planting date.

Failed Acreage:

Reports of failed acreage must be filed before disposition of the crop, and producers must be able to establish to the satisfaction of the county committee that the crop failed and was prevented from being replanted through the normal planting period because of natural disaster conditions.

ACRE Program

The Average Crop Revenue Election (ACRE) offers producers an alternative to Direct and Counter-Cyclical (DCP) payments. The ACRE alternative provides eligible producers a state-level revenue guarantee, based on the five-year state Olympic average yield and the two-year national average price.

ACRE payments are made when both state- and farm-level triggers are met. By participating in ACRE, producers elect to forgo

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

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



USDA is an equal opportunity provider and employer.

Continued from Page 1 ACRE Program counter-cyclical payments. Producers also agree to receive a 20 percent reduction in direct payments and a 30 percent reduction in loan rates.

A decision to elect ACRE binds the producer to the program through the 2012 crop year, the last crop year covered by the 2008 Farm Bill. For more details contact the local FSA office.

Over the Counter Channel (OTCnet)

FSA/CCC is moving toward 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). The funds will be debited from the producer's account, usually within 24 hours of receipt. Please see the U.S. Department of Treasury legal notices posted in the Service Center or visit the following U.S. Department of Treasury Internet site for detailed information. **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 bank account. It presents many benefits, such as reducing lost/misplaced checks and paper handling. This improves customer relations, speeds the check clearing process, and reduces 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 will be reflected on your account statement. The transaction may be recorded in a different place on your statement than where your checks normally appear, such as under

“other 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 the transaction reported on your account statement was not properly authorized or is otherwise incorrect.

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.

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. Please contact the office to check the status of your eligibility. New producers are encouraged to apply for the program any time before Sept. 30, 2012.

NAP Loss Filing

The 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.

Adjusted Gross Income

USDA and the Internal Revenue Service have established an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent is required from each producer or payment

Continued on Page 2 Adjusted Gross Income

recipient for the tax review process. No actual tax data will be included in the report that IRS sends to FSA.

This ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments and; \$1 million nonfarm average AGI for conservation programs.

Participants in CCC programs subject to average AGI rules must submit form CCC-931 to their local FSA County Office to avoid interruption of program benefits. This form may be obtained from local FSA and NRCS offices.

Farm Reconstitutions

At FSA, farms are “constituted” to group all tracts having the same owner and the same operator under one farm serial number. When changes in ownership or operation take place, a farm reconstitution is necessary. If an owner or operator cannot agree about program participation, like in the case of the new ACRE program, then producers should inquire about a reconstitution of the farm at the local FSA office.

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, 2012, for farms enrolled in specific programs.

Measurement Service

Farmers who would like a guarantee on their crop plantings and land use acreages can make it official by using the FSA measurement service. Producers must file a request with the county office staff and pay the cost of a field visit to have stake and referencing done on the farm. Measurement service is available using digital imagery. If an on-site visit is not required producers are charged a reduced rate.

Incorrect acreage self-certification can result in reduced program payments, penalty or loss of eligibility.

Producers can request ortho-imagery and CLU covering their land (commonly referred to as a clip) at no charge. This would provide the acreage of an entire field.

Receipt for Service

The Food, Conservation, and Energy Act of 2008, Section 14003 (7 U.S.C. 2279-1(e)) requires FSA, NRCS, and RD to issue a receipt, when requested, for service or denial of service to a current or prospective producer or landowner.

FSA COC Nomination Deadline

County committees (COC) play a crucial role in helping county office staff implement Farm Bill programs. Producers can participate in the FSA county committee election process by nominating an eligible candidate by the Aug. 1, 2012, deadline.

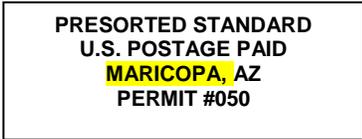
To become a nominee, eligible individuals must sign form FSA-669A. The form and more information about FSA county committee elections is available at: <http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/FSA669-A.PDF>

During their three-year terms, FSA county committee members make decisions on disaster and conservation programs, emergency programs, commodity price support programs and more. Nationwide, more than 7,800 farmers and ranchers serve on FSA county committees. Committees consist of three to five members who are elected by eligible local producer voters.

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.

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Farm Loan Programs

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

Ask a lender about an FSA loan guarantee to help with a setback or if a lender has been reluctant to extend or renew a loan.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans have a maximum limit of \$1,214,000. This makes the maximum combination of direct and guaranteed loan indebtedness \$1,514,000.

The one-time loan origination fee charged on FSA guaranteed farm ownership and operating loans has increased from 1 percent to 1.5 percent of the guaranteed portion of the loan, for loans obligated after Oct. 1, 2011.

To find out more about FSA loan programs, contact the county office staff.

Selected Interest Rates for July 2012	
Farm Operating - Direct	1.25%
Farm Ownership - Direct	3.375%
Limited Resource	5.00%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency	1.250%
Farm Storage Facility – 7 year	1.125%
Farm Storage Facility – 10 year	1.625%
Farm Storage Facility – 12 year	1.875%
Sugar Storage Facility	2.125%
Commodity Loans 1996-Present	1.250%

Dates to Remember	
May 28	Memorial Day, Federal Offices Closed
June 1	2012 DCP Enrollment closes
June 1	Farm Record Changes Deadline
June 1	SURE Sign up ends
June 15	COC Nomination Period Opens
June 15	Deadline For Crop Certifications
Aug. 1	Last Day to file COC nomination form
	Deadline for spring-planted crop insurance purchase or change
	Deadline for non-insured (NAP) spring crop coverage purchase at FSA