



Butte County News

U.S. Department Of Agriculture Farm Service Agency

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Hours

Monday – Friday
8:00 a.m. – 4:30 p.m.

County Committee

Joshua Sheppard –
Chair
Gregory Stephens–Vice
Chair
Roy Roney - Member
Harmanjit S. Gosal –
Advisor

County Director

Robert L. Maurer

Staff

Shān Bertapelle
Jennifer Pooler
Teresa Blackson
Erin Quigley
Brenda Richter

CA State Appraiser

David Widlund

Farm Loan Intern

Aileen Garcia

Farm Loan Manager

Tom Roberts

DCP Signup Continues

Please call to set up an appointment. We will not be able to serve walk-in producers.

Signup for the 2009 Direct and Counter-cyclical Payment (DCP) Program continues until June 1, 2009. The June 1, 2009 deadline is mandatory for all participants. FSA will not accept any late-filed applications.

For 2009, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm.

Owners will need to sign a new form for 2009 called a CCC-748 2009 Rice Apportionment. Owners with tract history of growing long grain rice from 2003-2006 may assign bases according to the percentage of long grain verses short/medium grain rice, otherwise they would choose the base to be 100% short/medium grain rice. Tracts with no history of long grain must be allocated to short/medium grain rice base.

Sign up for Average Crop Revenue Election (ACRE) Program will be later in the spring. You may first enroll in the DCP Program, receive advance direct payments and then later modify your enrollment to the ACRE program or you may wait and elect to enroll in DCP and ACRE at the same time in spring 2009.

Crop Disaster Program Signup Deadline – February 27

The Farm Service Agency's (FSA) Crop Disaster Program (CDP) signup period for years 2005-2007, will end Feb. 27, 2009.

The ending date of Feb. 27 applies to the receipt of a signed and completed FSA-840 application along with all supporting documentation and required forms at the applicable county FSA office. Sign-up information and required forms are available at each county FSA office. Late filed applications will

not be approved after the Feb. 27 deadline.

If you have questions about CDP call the FSA office.

Payment Limits and Direct Attribution

For commodity and disaster programs under the new farm bill, the AGI limitation was reduced from \$2.5 million from all sources to a three-year average **non-farm AGI less than \$500,000** in order to qualify for direct payments issued under the Direct & Counter Cyclical program. Also, under the new regulations, an individual or entity must have a **3-year average AGI less than \$750,000 per year from farm income** in order to qualify for direct payments issued under the Direct and Counter-cyclical Program.

For conservation programs, the **average non-farm AGI limitation is \$1 million or less** for eligibility. However, an individual or entity who has non-farm AGI in excess of \$1 million remains eligible for conservation programs only if 66.66 percent or more of the total AGI is derived from farming, ranching and forestry operations. In addition, the AGI limitation for conservation programs may be waived on a case-by-case basis if it is determined that environmentally sensitive land of special significance would be protected.

Program payments are limited by direct attribution to individuals or entities. A legal entity is defined as an entity created under Federal or State law that owns land or an agricultural commodity, product or livestock. Through direct attribution, payment limitation is based on the total payments received by the individual, both directly and indirectly. Qualifying spouses are eligible to be considered separate persons for payment limitation purposes, rather than being automatically combined under one limitation, except for revocable trusts with husband & wife as grantors. Also, revocable trusts with more than one beneficiary



will be required to get an EIN tax number for direct attribution purposes. We will no longer be able to use the grantors social security number for the revocable trust.

Individuals and entities must be "actively engaged in farming" with respect to a farming operation in order to be eligible for specified payments and benefits. To be "actively engaged in farming," the individual or entity must make significant contributions to the farming operation of: (1) capital, equipment, land, or a combination; and (2) personal labor or active personal management, or a combination.

County Committee Election

Congratulations to Greg Stephens who was re-elected to represent farmers from LAA 3 on the county committee. Greg was elected to his 2nd consecutive term.

Wool, Mohair and Unshorn Pelts

Producers who have wool or sell lambs for slaughter need to complete forms prior to selling the wool and prior to selling the lambs. Call if you have sheep, you may be eligible for a LDP payment.

Lamb Checkoff Referendum

Persons engaged in production, feeding or slaughtering of sheep are eligible to vote. The voting form requires

- 1) Total number of sheep fed or owned or slaughtered during 2008
- 2) Documentation supporting number of sheep, and
- 3) Name and address.

Votes must be submitted to the FSA office. Ballots must be cast from Feb. 2, 2009 through Feb. 27, 2009. The mandatory program is financed by producers, seedstock producers (breeders), feeders, and exporters who are assessed one-half cent (\$.005) per pound when live ovine animals are sold. The first handler, primarily packers, pays an additional 30 cents per head on ovine animals purchased for slaughter. Call for more information about this referendum.

Kansas City Mails 1099-G

During the last week of January, producers who have received payments from FSA should

have also received a CCC-1099-G from the Kansas City office. A CCC-1099-G is a report to the Internal Revenue Service about FSA payments made to you during the previous calendar year. The CCC-1099-G is a service to help participating producers report taxable income. It is not intended to replace the program participant's responsibility to report income to the IRS.

If you received a CCC-1099-G, we recommend that you check the amounts shown with those in your records to see that the amounts are correct. Refunds will no longer be reported on the 1099-G, but will be available online from the FSA Financial Inquiries (FSA-FI) web-based database. Program participants with eAuthentication user ID's and passwords can access their refund information at FSA-FI and select "Inquiry Type 1099/Refund Reports". Refund amounts are displayed on the Producer's Year-to-Date Activity web page. If you have questions on your 1099-G, call us.

Farm Loan Programs - FSA is "Lender of First Opportunity"

The Farm Service Agency (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 for a maximum of up to \$300,000. Currently guaranteed loans can reach a maximum indebtedness of \$1,094,000. 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. Call the Farm Loan Team in Red Bluff for an appointment with a farm loan officer at 530-527-3013.

Youth Loans Help Start Ups

The Farm Service Agency 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.

Call the Farm Loan Team in Red Bluff for an appointment with a farm loan officer at 530-527-3013.

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 and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of Socially Disadvantaged Applicants.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of

his or her identity as members of the group 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 call the Farm Loan Team in Red Bluff for an appointment with a farm loan officer at 530-527-3013. FSA loans are only available to applicants who meet the eligibility requirements and are unable to obtain the needed credit elsewhere.

Special Accommodations

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office staff directly or by phone.

Power of Attorney

FSA has a power of attorney form available that enables you to designate another person to conduct your business at the office. If you are interested, please contact our office.

Payment Deposits – New

Current policy mandates that FSA payments be electronically transferred into your bank account. In order for timely payments to be made, producers need to notify the FSA county office if your bank account has been changed or if another financial institution purchases your bank. **Payments can be delayed if the FSA office is not aware of updates to your account and routing numbers.**

Appeal Process

After an FSA official makes a decision on your request or application for USDA services, you will be sent a letter informing you of the decision and options you can pursue if you disagree.

Generally, appellants have three choices — an informal review with the original agency decision-maker, an opportunity for mediation and finally an appeal to the next level of authority within the agency.



Selected Interest Rates for February 2009	
Farm Operating - Direct	2.125%
Farm Ownership - Direct	3.75%
Limited Resource - Farm Operating	5.00%
Limited Resource - Farm Ownership	5.00%
Farm Ownership - Direct Down Payment Beginning Farmer or Rancher	1.50%
Emergency	3.75%
Farm Storage Facility	1.875%

Visit our Web site at
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Dates to Remember	
Feb. 16	Washington's Birthday – Office Closed
Feb. 27	Sign-up deadline for 05-07 CDP
Feb. 27	Deadline to vote on the Lamb Checkoff Program referendum, call for more information
March 1	NAP application closing date for wild rice, safflower and other spring seeded non insurable crops
April 30	Deadline for reporting acreage for wheat, barley, oats
May 31	Rice loan request deadline
June 1	DCP Signup Ends (Call to set up an appointment)
July 15	Deadline for reporting acreage for crops other than wheat, barley & oats
Sep 30	Projected deadline to file Eligibility documents
Continues	Continuous Conservation Reserve program

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