



April 2009

Butte County FSA News

**U.S. Department
Of
Agriculture
Farm Service Agency**
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Oroville, CA 95965-9215
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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
Jennifer Pooler
Shān Bertapelle
Teresa Blackson
Erin Quigley
Brenda Richter
CA State Appraiser
David Widlund
Farm Loan Intern
Aileen Garcia
Farm Loan Manager
Tom Roberts

Get Your DCP Appointment Set Up Now

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

Signup for the 2009 Direct and Counter-cyclical Payment (DCP) Program continues. There is little that has changed from 2008. The advanced payment rate is still 22%.

Payment limitation rules have changed and there are new forms called CCC-902's. Adjusted gross income rules have changed as well and the new form is called a CCC-926. Call for an appointment.

The ACRE Program

The Average Crop Revenue Election (ACRE) is a new program authorized by the 2008 Farm Bill that begins in crop year 2009. Through ACRE, USDA's Farm Service Agency (FSA) offers producers an alternative to Direct and Counter-cyclical (DCP) payments.

ACRE payments are made when both state- and farm revenues are below historic levels. By participating in ACRE, producers elect to forgo counter-cyclical payments. Producers also elect to receive a 20-percent reduction in direct payments and a 30-percent reduction in loan rates. ACRE sign-up dates will be announced soon so a producer can choose to participate in ACRE, or stay with DCP.

A decision to elect ACRE binds that farm to the program from the program year elected by the producer through the 2012 crop year. For more details contact your local FSA office

Disaster Buy-In Waiver Extension

Producers who did not obtain crop insurance or Non-insured Crop Disaster Assistance Program (NAP) coverage for 2008 can pay a buy-in fee through May 18, 2009, to become eligible for 2008 disaster assistance programs authorized by the Food, Conservation, and

Energy Act of 2008.

Farmers have an additional opportunity to become eligible for several programs if they suffered 2008 agricultural losses due to natural disaster.

If you have not already taken the necessary steps to become eligible for the Supplemental Revenue Assistance Program (SURE), Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish (ELAP), and the Tree Assistance Program (TAP), you are required to complete the following steps by May 18, 2009:

- Pay a \$100 "buy-in" fee per crop. The maximum fee is \$300 per county, per producer, not to exceed \$900 for multi-county producers.
- In the case of each insurable crop, excluding grazing land, agree to obtain a policy or plan of insurance for the next insurance year for which crop insurance is available; coverage level should equal 70 percent or more of the yield at 100 percent of the price.
- In the case of each noninsurable crop, agree to file the required paperwork and pay the applicable administrative NAP coverage fee by the applicable state application closing date for the next available year.

Producers who meet the definition of "Socially Disadvantaged, Limited Resource," or "Beginning Farmer or Rancher," are not required to pay the buy-in fee. These producers still need to come into the office and complete the buy-in forms.

Livestock Owners: Paid for Area's Along Creeks, Rivers or Other Bodies of Water

The continuous CRP program pays rent, incentives and cost share money for wildlife riparian areas along creeks, rivers and ponds. Call for more details.



Acreage Reporting

Acreage reporting time is here. Filing an accurate acreage report for all crops and land uses, including failed acreage and prevented planting acreage, can prevent the loss of benefits for a variety of programs.

Failed acreage must be reported within 15 days of the disaster event and before disposition of the crop. Prevented planting must be reported no later than 15 days after the final planting date.

Acreage reports are required for many Farm Service Agency programs. For crops other than NAP (Noninsured Crop Disaster Assistance Program) crops, acreage reports are to be certified by April 30, 2009 on small grains and July 15, 2009 on all other crops.

Acreage reports on crops for which NAP assistance may be paid are due in the county office by the earlier of the following:

- * at the time a notice of loss is filed
- * April 30, 2009 for small grains
- * July 15, 2009 for all other crops
- * 15 calendar days before the onset of harvest or grazing of the specific crop acreage being reported.

NAP Production Reporting

Production records for individual crops need to be filed with our office to establish an approved NAP yield. If this is your first year participating in NAP, you can provide production and acreage information from prior years to establish your yield. If you participated in NAP in previous years, you must report your production and acreage on a yearly basis to keep your yield up-to-date. Records submitted must be verifiable or reliable. Records need to show crop disposition. We recommend producers submit 2009 production records as soon as harvest is complete. **All production records must be submitted by the subsequent crop year's final acreage reporting date**

Timely Filing of Loss

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 on 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.

LO-DOC Loans

What is a Lo-Doc loan? Simply put, it is a loan that requires less paperwork than the standard FSA loan. To qualify for a Lo-Doc loan, you must meet the following requirements:

1. Be current on all payments to all creditors including the Agency (if an Agency borrower)
2. Have not received primary loan servicing on any Agency debt within the past 5 years
3. Meet one of the following sets of criteria:
 - a. The loan requested is \$50,000 or less and the total outstanding Agency Operating Loan (OL) loan debt at the time of loan closing will be less than \$100,000; or
 - b. The loan requested is to pay annual operating expenses and the applicant is an existing Agency borrower who has received and timely repaid at least two previous annual OL loans from the Agency.

Continued on Page 3 Lo Doc

Continued from Page 2 Lo Doc

Your Lo-Doc Application request must include the following documents before it can be processed:

- completed FSA-2001 (application)
- entity information (if applicable)
- environmental information
- farm operating plan
- payment of credit report fee
- balance sheet

The loan application will not be processed until all the requirements are met. Your FSA Loan Officer may require additional information from what is listed here if needed to make a determination on the loan application. See your local FSA Farm Loan Officer for more details. Butte County's Farm Loan Department is located in the Red Bluff office in Tehama County.

Combination Leases

For DCP, combination leases are now considered a cash lease. Also, a lease with a sliding cash scale based on nonproduction factors is considered a cash lease. If the sliding cash scale is based simply on production, we will need to review to determine whether we consider it a cash lease or share crop lease.

Farm Reconstitutions

In program terminology, 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. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

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.

If payments have already been issued on a particular farm, the reconstitution will be effective for the next year, unless the payments are refunded. Request for recons should be filed by June 1.

Reconstitutions must be initiated by August 1st to go into effect for the current fiscal year.

Banking Changes?

If you have changed banks and not notified FSA, your payment could be delayed. Payments are electronically transferred into your bank account, if we are not aware of changes to your account and routing numbers, there could be problems. In order to make timely payments, you need to notify the office if you close your account or if an-

other financial institution purchases your bank. It is important that any changes in producer's account such as type account, bank mergers, routing number or account numbers, be provided to the county office promptly to avoid possible payment delay.

If You Have Sheep

You may be able to receive a payment for your wool and unshorn lambs. Please call for more details and set up an appointment. Forms must be signed prior to delivering your wool or lambs.

Disaster Programs

We have been getting inquiries about the Supplemental Revenue Assistance Payments (SURE) and Livestock Forage Program (LFP) programs created by the 2008 Farm Bill. It's possible the LFP program sign up will be late spring and the SURE program this summer or fall.

To estimate your SURE potential payment there is software available at:

http://www.fsa.usda.gov/Internet/FSA_File/sure_calculator.xls

SURE fact sheet:

http://www.fsa.usda.gov/Internet/FSA_File/sure_fact_sheet_ok.pdf

LFP fact sheet:

http://www.fsa.usda.gov/Internet/FSA_File/lfp08.pdf

Deadlines

Remember to at least look at each newsletter's headlines and deadlines page so you don't miss out.

Special 30-Day Window for Drought Assistance Offered to Farmers and Ranchers through NRCS-May 8th

Farmers and ranchers in Butte County because of extreme or severe drought conditions may apply for assistance from USDA's Natural Resources Conservation Service until May 8, 2009. During the special 30-day sign up, NRCS will take applications for \$2 million available for practices designed to protect soil and air quality in areas of fallowed fields, keep orchard trees alive, and protect natural resources on ranch and pasture land. Due to the extraordinary conditions NRCS will pay a higher-than-normal 75 percent cost share rate. Call NRCS for more information at 534-0112 Ext 115.

USDA Farm Service
 Agency
 Butte County Office
 150 Chuck Yeager Way, #D
 Oroville, CA 95965-9215



Dates to Remember	
Continuous	Continuous Conservation Reserve Program (No Deadline)
April 30	Wheat, Barley Oat Acreage Reporting Deadline (Call for an Appointment)
May 8	NRCS Drought Sign up
May 25	Office Closed-Memorial Day
July 3	Office Closed – 4 th of July
July 15	Deadline for reporting acreage for crops other than wheat, barley & oats (Call for an Appointment)
May 31	Rice loan request deadline for 2008 crop
Aug. 3	County Committee nominations must be submitted by this date
Aug. 14	DCP Signup Extended Deadline (Call for an Appointment)

County Committee (COC) Nominations

Its time for submitting nominations to run for the COC again we are looking for eligible candidates including producers from socially disadvantaged groups. LAA 1 is the area up for election this year. It is southern part of the county south of Richvale including south Oroville and the Gridley/Biggs areas. The deadline for receiving nominations is August 3, 2009. Please contact us for more information.

Jennifer Pooler is Retiring

After 21 years of service in the USDA, Jennifer Pooler is retiring on May 8, 2009. Anyone wishing to say farewell is welcome to stop by on the 8th of May. We will miss her & we wish her the very best in her retirement. Thank you Jen for all your years of service.

The Butte County FSA Office staff.

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