



May 2010

# Butte County FSA News

**U.S. Department  
Of  
Agriculture  
Farm Service Agency**  
150 Chuck Yeager Way,  
Suite D  
Oroville, CA 95965-9215  
Voice (530) 534-0112  
FAX (530) 533-4936  
<http://www.fsa.usda.gov>

**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**  
Shän Bertapelle  
Teresa Blackson  
Brenda Richter

**CA State Appraiser**  
David Widlund

**Acting Farm Loan  
Manager**  
Ed De Bauche

**Office Closed:**  
Memorial Day  
May 31<sup>st</sup>

Independence Day  
July 5<sup>th</sup>

## DCP Signup Deadline JUNE 1

**Please call for an appointment!!!**

**There are no late filing options. All producers** with a share of the base acres on the farm **MUST** sign the contract by **June 1<sup>st</sup>**, or the farm will be ineligible for payment in 2010.

Enrollment for the 2010 Direct and Counter-cyclical Program (DCP) will continue through June 1, 2010. USDA urges producers to make use of the eDCP automated website to sign up, or producers can call for an appointment to the USDA Service Center to complete their 2010 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 2010, eligible producers may request advance direct payments based on 22 percent of the direct payment.

## ACRE Program

The Average Crop Revenue Election (ACRE) is a program authorized by the 2008 Farm Bill. Through ACRE, USDA's Farm Service Agency (FSA) offers producers who have base acres on their farm an alternative to Direct and Counter-cyclical (DCP) payments. The ACRE alternative provides eligible producers a state-level revenue guarantee, based on the 5-year state Olympic average yield and the 2-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 counter-cyclical payments. Producers also elect to receive a 20% reduction in direct payments and a 30% 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. All producers on the farm must sign the ACRE enrollment form. **Please call for an appointment.**

## 2010 FSA County Committee Elections

The election of agricultural producers to

Farm Service Agency (FSA) county committee is important to ALL farmers and ranchers, whether beginning or long established, with large or small operations. 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.

County Committee (COC) members are a critical component of FSA operations. The intent is to have the COC reflect the makeup of the producers and to represent all constituents. This means wherever possible, minorities, women or lower income producers need to be on the committee to speak for these underrepresented groups.

County committees provide local input on:

- Commodity price support loans and payments
- Conservation programs
- Incentive, indemnity and disaster payments for some commodities
- Emergency programs
- Payment eligibility

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.

### Election Period

June 15, 2010 – The nomination period begins. Request nomination forms from the local USDA Service Center or obtain online at:

[http://www.fsa.usda.gov/Internet/FSA\\_File/fsa0669a\\_commiteelectform.pdf](http://www.fsa.usda.gov/Internet/FSA_File/fsa0669a_commiteelectform.pdf)

Aug. 2, 2010 - Last day to file nomination forms (FSA-669A) at the local USDA Service Center.

Nov. 5, 2010 - Ballots mailed to eligible voters.

Dec. 6, 2010 - Last day to return voted ballots to the USDA Service Center.

Jan. 1, 2011 - Newly elected county committee members take office.

## Who Can Hold Office

To hold office as a county committee member, a person must meet the basic eligibility criteria as follows:

- Participate or cooperate in a program administered by FSA.
- Be eligible to vote in a county committee election.
- Reside in the LAA in which the person is a candidate.

Causes for ineligibility:

- Removed or disqualified from the office of county committee member, alternate or employee.
- Removed for cause from any public office or have been convicted of fraud, larceny, embezzlement or any other felony.
- Dishonorably discharged from any branch of the armed services.

## Nominations

To become a nominee, eligible individuals must sign nomination form FSA-669A. The form includes a statement that the nominee agrees to serve if elected. This form is available at USDA Service Centers and online at:

[http://www.fsa.usda.gov/Internet/FSA\\_File/fsa0669a\\_commiteelectform.pdf](http://www.fsa.usda.gov/Internet/FSA_File/fsa0669a_commiteelectform.pdf)

Nomination forms for the 2010 election must be postmarked or received in the local USDA Service Center by close of business on Aug. 2, 2010.

Agricultural producers who participate or cooperate in an FSA program may be nominated for the county committee. Individuals may nominate themselves or others as a candidate. Additionally, organizations representing minority and women farmers or ranchers may nominate candidates. Nomination forms are filed in the office that administers the producer's farm records.

## Who Can Vote

Agricultural producers of legal voting age may be eligible to vote if they participate or cooperate in any FSA program. A person who is not of legal voting age but supervises and conducts the farming operations of an entire farm may also be eligible to vote. More information about voting eligibility requirements can be found in the FSA fact sheet titled "FSA

County Committee Election - Eligibility to Vote and Hold Office as a County Committee Member." Producers may contact their local USDA Service Center for more information.

## 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. Another reason is when an owner and operator cannot agree about program participation (for example - ACRE participation).

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 2, 2010 for farms enrolled in specific programs. (May 25<sup>th</sup> if resulting farm is to be enrolled in DCP or ACRE programs)

## SURE Program

We just received the final software for the SURE program. We are rerunning all of the previous applications and will contact you if we require more information or your signature. **If you have not requested to sign up, please call.**

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters incurred in the crop years 2008 through September 30, 2011. To be eligible for SURE payments, a producer is required to obtain crop insurance on all crops in all counties or, if crop insurance is not available, to participate in the Non-Insured Assistance Program (NAP) except for grazed acreage. However, crop insurance or NAP coverage is no longer required for crops that are not of economic significance or those where the administrative fee required to buy NAP coverage exceeds 10% of the value of the coverage.

Eligible farmers and ranchers who meet the definition of Socially Disadvantaged, Limited Resource, or Beginning Farmer or Rancher are exempt from the risk management purchase requirement.

The following conditions trigger SURE payments:

- At least one crop of economic significance must suffer a 10% production loss due to an eligible disaster condition
- Crop of economic significance is a crop that has contributed or would have

contributed at least 5% or more of the total expected revenue from all crops on the farm

- Crop is in a county declared a disaster county by the Secretary of Agriculture, or in contiguous counties, or producer shows proof of an individual loss of at least 50%.

SURE payments can apply to crop production or crop quality losses. Losses are measured with consideration to the whole-farm revenue, which includes crop insurance indemnities and commodity program payments.

A SURE calculator is available at: <http://www.fsa.usda.gov/FSA/webapp?area=home&subject=diap&topic=sure>. The calculator is not official, but is intended for educational use. A fact sheet and backgrounder are also available online.

## Farm Loan Programs

The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, direct and guaranteed loans are currently available.

Ask your current commercial lender about an FSA loan guarantee if you've had a setback and your lender is reluctant to extend or renew your loan.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,112,000. Producers are encouraged to apply early.

FSA employees can help you complete the necessary application and other forms, and help you understand what information is required and where to find it. To find out more about FSA loan programs, contact the county office staff.

## Rice MAL Warehouse Receipts

When applying for Market Assistance Loans (MAL) for rice, the name on warehouse receipts must match how the producer signed up into the DCP program. For example: John and Jill General Partnership is signed into DCP however the warehouse receipt is only in John's name. We will be unable to complete a warehouse stored loan in this situation.

## Adjusted Gross Income

Participants in CCC programs subject to average AGI rules **must submit** form CCC-927 (Individual) and/or CCC-928 (Legal Entity) to the Internal Revenue Service by June 15 to avoid interruption of program benefits.

## 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 contact their local FSA office for details. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

## 2010 Payment Limitation Rules

Payments and benefits under certain programs are subject to some or all of the following:

- payment limitation by direct attribution
- payment limitation amounts for the applicable programs
- actively engaged in farming requirements
- cash-rent tenant rule
- foreign person rule
- average AGI limitations
- no program benefits subject to limitation will be provided until **all** required forms for the specific situation are provided and necessary payment eligibility and payment limitation determinations are made.
- payment eligibility and payment limitation determinations may be initiated by COC or requested by the producer
- after 2009, a farm operating plan is **not** required to be filed annually, if the farming operation continues to be conducted as reflected on the farm operating plan and supporting documents are on file in the County Office

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



PRESORTED STANDARD  
 U.S. POSTAGE PAID  
 DAVIS, CA  
 PERMIT #22

**PL Rules Continued:**

- if any changes occur that could affect an actively engaged in farming, cash-rent tenant, foreign person, or average AGI determination, producers must timely notify the County Office by filing revised farm operating plans and/or supporting documentation, as applicable **Note:** Failure to timely notify the County Office may adversely affect payment eligibility.
- there are statutory provisions that require entities, earning program benefits that are subject to limitation, to provide the names, addresses, and TIN's of the entities' members to COC
- all applicable payment eligibility and payment limitation forms submitted by producers are subject to spot check through the end-of-year review process
- a determination of not actively engaged in farming results in the producer being ineligible for any payment or benefit requiring a determination of actively engaged in farming
- noncompliance with AGI provisions, either by exceeding the applicable limitations or by failure to submit a certification statement, will result in the determination of ineligibility for all program benefits subject to AGI provisions; program benefits shall be reduced in an amount that is commensurate with the direct and indirect interest held by an ineligible person or legal entity in any legal entity, general partnership, or joint operation that receives benefits subject to the average AGI limitations.

**Notice of Losses Due to Adverse Weather**

If you have had a weather caused loss, you need to contact this office and file a written "notice of loss" of the crop, cause and acreage involved. This notice must be filed with 15 days of the occurrence or with 15 days of the when the loss became apparent. A notice of loss must be filed with either your local FSA or Crop Insurance in order to participate in any of our disaster programs. Contact this office for details and set up an appointment.

**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 for GPS referencing of the farm. Measurement service is available using digital imagery. If data already exists in a certified database and an on-site visit is not required, there is no charge. Incorrect acreage self-certification can result in reduced program payments, penalty, or loss of eligibility. Producers can request ortho-imagery and CLU (common land unit) coordinates for their land (commonly referred to as a clip) at no charge. This service provides you with both acreages and field boundaries.

Deadlines to Remember	
Within 15 days of Event: Notice of Loss	June 1 <sup>st</sup> : DCP/ACRE Sign-up Closes
May 25 <sup>th</sup> Deadline to request Reconstitution for DCP/ACRE program farms	July 15 <sup>th</sup> : Crop Acreage Reports

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.) 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 USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202)-720-6382 (TDD). USDA is an equal opportunity provider and employer."