



Kern County FSA News

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Direct & Counter Cyclical Program (DCP) Signup

Enrollment for the 2010 Direct & Counter Cyclical Program (DCP) began October 1, 2009, and will continue through **June 1, 2010**. Please call the Kern County FSA Office at (661) 336-0967 to make your appointment.

DCP program payments are computed using 83.3% of base acres and payment yields established for each farm. For 2010 eligible producers may request advance direct payments base on 22% of the direct payment. Counter cyclical payment rates vary depending on market prices. Counter cyclical payments are issued only when the effective price for a commodity is below its target price. The effective price is the higher of the national average market price received during the 12 month marketing year for each covered commodity, and the national average loan rate for a marketing assistance loan for the covered community.

ACRE

The Average Crop Revenue Election Program (ACRE) provides a safety net based on state revenue losses and acts in place of the price-based safety net of counter-cyclical

payments under DCP. A farm's payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year national price for each eligible commodity. For 2010, the 2-year price average will be based on the 2008 and 2009 crop years.

An ACRE payment is issued when both the state and the farm have incurred a revenue loss. The payment is based on 83.3 percent (85 percent in 2012) of the farm's planted acres times the difference between the State ACRE guarantee and the state revenue times the ratio of the farm's yield divided by the state expected yield. The total number of planted acres for which a producer may receive ACRE payments may not exceed the total base on the farm. In exchange for participating in ACRE, in addition to not receiving counter-cyclical payments, a farm's direct payment is reduced by 20 percent, and marketing assistance loan rates are reduced by 30 percent.

The decision to enroll in the ACRE Program is irrevocable. The owner of the farm and all producers on the farm must agree to enroll in ACRE. Once enrolled, the farm shall be enrolled for that initial crop year and will remain in ACRE through the 2012 crop year. The June 1, 2010, deadline is

mandatory for all participants. USDA will not accept any late-filed ACRE applications.

SURE

The 2008 Farm Bill amended the Trade Act of 1974 to create the Supplemental Revenue Assistance Payments Program (SURE).

SURE provides benefits for farm revenue losses due to natural disaster that occurred 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 not required for crops that are not of economic significance.

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

The following are the conditions that trigger SURE payments:

- at least one crop of economic significance must suffer a 10% production loss due to an eligible disaster condition. A 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

- producers in counties declared disaster counties by the Secretary of Agriculture, or in contiguous counties, or those who show proof of a loss of at least 50% for their farm are eligible to receive SURE payments for crop production or crop quality losses. Losses are measured based on whole-farm revenue, which includes crop insurance indemnities and commodity program payments, so that producers are not paid more than once for the same loss.

Signup for SURE is estimated to begin around December 14, 2009, so please call the USDA Kern County Service Center to make your appointment to review program information or sign up at the above telephone number.

Livestock Forage Disaster Program

The Livestock Forage Disaster Program (LFP) provides compensation to eligible livestock producers who suffer grazing losses for eligible livestock due to drought conditions. The U.S. Drought Monitor qualifies the level of drought severity for this program, with payments increasing as drought severity levels increase. Fire on federally managed land can also qualify for those whose grazing has been affected.

Eligible livestock producers may receive assistance for eligible livestock grazing losses that occur on or after January 1, 2008, and before October 1, 2011, during the calendar year in which the loss occurs. FSA began accepting 2008 calendar year applications on September 14, 2009. These applications must be filed by **December 10, 2009**. Late filed applications for LFP cannot be approved.

For 2009 and subsequent years, sign-up applications must be filed no later than 30 calendar days after the end of the calendar year in which the grazing losses occurred.

ELAP- Livestock, Honey Bees & Farm Raised Fish

Producers of livestock, honey bees and farm-raised fish can now apply for benefits under the Emergency Livestock Assistance Program (ELAP.) Losses can be due to disease, adverse weather and wildfires. To be eligible, producers must have purchased NAP. Eligible producers may receive assistance for losses that occurred or will occur on or after January 1, 2008 and before October 1, 2011.

For losses in 2008, a Notice of Loss, Application for Payment and other documentation must be filed no later than Dec. 10, 2009. For losses between Jan. 1, 2009 and Sept. 10, 2009, a Notice of Loss must be filed no later than Dec. 10, 2009 and Application for Payment filed no later than January 20, 2010. Contact your nearest FSA office for further deadlines upcoming soon.

Biomass Crop Assistance

FSA is still accepting applications for certification from biomass facilities interested in participating in the Biomass Crop Assistance Program (BCAP). BCAP provides financial assistance for producers or collectors who own and deliver eligible biomass material to certified biomass conversion facilities for use as heat, power, bio-based products or bio-fuels.

Producers or collectors who deliver and sell these materials to qualified biomass conversion facilities can apply for matching payments under the collection, harvest, storage and transportation (CHST) component of BCAP. Matching payment can not exceed \$45 per dry ton. Biomass material collectors are eligible to receive payments for two years.

Eligible material owners or producers, who market eligible material to a qualified biomass conversion facility should contact

their FSA county office regarding application. Note that some areas may announce sign-up periods.

An application must be submitted before the eligible material is sold and delivered to a qualified biomass conversion facility. Once an agreement is signed between FSA and a conversion facility, the facilities can begin accepting materials. After the product is delivered, a producer must provide FSA with documentation of product quantity, quality and payment rate. County offices will validate payment requests with information in the county office and information provided under the terms of MOUs with the qualified biomass conversion facilities.

Non Insured Disaster Assistance Program (NAP) 2010 Application Closing Dates

All other annuals	3/1/10
Apples	1/31/10
Almonds, Apricots, Asparagus, Caneberries, Cherries, Grapes, Kiwi, Mint, Nectarines, Olives, Peaches, Pears, Persimmons, Pistachios, Plums, Pomegranates, Strawberries, Walnuts	NOTE: Coverage no longer available for young trees. 12/15/09
Fall Planted Garlic	10/1/09
Processed Onions, Honey	12/1/09
Fall Planted Seed Crops	8/1/09
Forage Crops/Permanent Pasture Forage Crops, Intended Use of FG, Hay (Mechanically Harvested)	12/1/09
Forage Seed Crops (Alfalfa, Clover, Grass, etc)	9/1/09
Value Loss and Controlled Environment Crops	9/1/09
2011 Crop Year Citrus Crops;	
Oranges, Lemons, Limes, Grapefruit, Tangelos	1/1/10

Duties in the Event of Damage, Loss, Abandonment, Destruction, or Alternative Use of Crop Acreage

Produce

(a) In case of damage to any NAP covered crop at least one producer having a share in the unit must file a Notice of Loss to CCC in the administrative FSA County Office:

(1) For prevented planting claims within 15 days after the final planting date.

(2) For low yield claims and allowable value loss, the earlier of;

(i) 15 days after the disaster occurrence, or date of loss or damage to the crop or commodity becomes apparent.

(ii) 15 days after the normal harvest date.

(b) For NAP purposes, the Notice of Loss must be filed for each crop and include:

(1) The cause of crop damage.

(2) Date the disaster occurred and when the damage became apparent.

(3) A copy of the contract or agreement if a contract of a guaranteed payment for planted acreage existed.

(4) Type of loss which occurred, e.g. prevented planting or low yield.

(5) Practices used, e.g. irrigated or non-irrigated.

(6) For prevented planting:

(i) Total acreage you intended to plant on the unit.

(ii) Total acreage you planted on the unit.

(iii) Whether seed, chemicals, fertilizer, etc. was purchased, delivered, or an arrangement for purchase or delivery was made for the intended crop.

(iv) What and when land preparation measures were completed, and

(v) What has been done or will be done with the acreage, e.g. abandoned, replanted, etc.

(7) For low yield;

(i) Total acreage of the crop you planted in the unit.

(ii) Total acreage of the crop affected.

(iii) What and when land preparation measures and practices were completed before and after the loss, and

(iv) What will be done with the affected crop acreage, e.g. harvested, destroyed, replanted to a different crop, abandoned, etc.

(8) Any other information requested by a CCC authorized representative.

(9) The crop acreage which will not be harvested, i.e. abandoned, destroyed, or in the case of forage acreage intended for mechanical harvesting but not grazed, must be left intact and you must request a crop appraisal and release of crop acreage by a CCC approved loss adjustor:

(i) Prior to destruction or abandonment of the crop acreage; or

(ii) No later than the normal harvest date, as determined by the COC.

(c) A Notice of Loss filed beyond the time specified in paragraph (a) of this section may be considered timely filed if, at the discretion of the CCC, time permits:

(1) An authorized CCC representative to verify information on the Notice of Loss by inspecting the affected acreage or the crop involved.

(2) COC or an authorized CCC representative the opportunity to determine that eligible disaster conditions caused the damage or loss.

(d) You must:

(1) Provide a complete harvesting and marketing record of each eligible crop by unit, including separate records showing the same information for production from any acreage not eligible.

(2) Upon your request, or that of any USDA employee authorized to conduct investigations of the NAP program, submit to an examination under oath.

(e) You must establish the total production or value received for the covered crop on the unit, than any loss of production or value occurred during the NAP coverage period, and that the loss of production or value

was directly caused by one or more of the covered causes of loss.

(f) All notices required in this section must be received by the FSA Office within 15 days.

(g) It is your duty to prove you have complied with all provisions of the Application of Coverage.

(1) Failure to comply with the requirements of section (c) (Your Duties) will result in denial of your application for payment or prevented planting for the acreage for which the failure occurred. Failure to comply with all other requirements of this section will result in denial of your application for payment or prevented planting.

Report of Acreage

An annual acreage report must be submitted for each covered crop in the administrative county on or before the acreage reporting date is determined by FSA. Contact the FSA Office for a list of applicable dates. Report of acreage is required yearly regardless if a Notice of Loss is filed or not.

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. Remember, to be effective for the current year, recons must be requested by August 1, 2010, for farms enrolled in the Direct & Counter Cyclical Program.

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

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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 DCP direct payments have already been issued on a particular farm, the reconstitution will be effective for the next year, unless the payments are refunded.

Wishing you a
Happy Holiday
Season and a
Prosperous New
Year

From the staff of the
Bakersfield USDA
Service Center

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Dates to Remember:

County Committee Elections	December 7, 2009
LFP & ELAP 2008 Signup Deadline	December 10, 2009
Certification of Small Grains	April 30, 2010
Certification All Other Land Uses	July 15, 2010
Reconstitution Deadline	August 1, 2010
MILC Signup	Continuing
NAP-Notice of Loss	Within 15 days of Natural Disaster Or Loss Becomes Apparent

FSAWEBSITE: www.fsa.usda.gov