



June 2010

Modoc County FSA News

Modoc County FSA

802 W 12th Street
Alturas, CA 96101
(530) 233-4391
(530) 233-8869 FAX

Hours:

Monday – Friday
8:00 AM – 4:30 PM

County Committee:

Ron Schluter, Chair-
person
Darrell DePaul, Vice
Chair
Kathy Ackley, Regular
Member
Richard Blizzeard, Ad-
visor

Meeting Schedule:

Regular committee
meetings are the first
Thursday of the month
at 10:00 AM.

County Director:

Christopher Lauppe

County Office Staff:

Marlene Hamilton

Farm Loan Officer:

Katherine Lewis
(Yreka)

REPORTING CROP ACREAGE

Crop acreage reports must be completed with the Modoc County FSA Office by July 15, 2010. Aerial photocopies have been sent out to many farmers with others being sent out. If you don't get one soon, contact our office. The mailing out of aerial photos for crop reporting is a service of this office and not an agency requirement. Please get these completed and returned as soon as possible. Filing an accurate and timely report for all crops and land uses, including failed acreage, can prevent loss of benefits for a variety of FSA programs. All crop and rangeland on the farm must be reported to receive benefits from the Direct and Counter-cyclical Program, marketing assistance loans, Loan Deficiency Payments, including Wool, Non-insured Crop Disaster Assistance Program (NAP) and the 2010 Livestock Forage Program. Late filed reports are charged a fee for a farm visit for crop verification.

Prevented planting: Needs to be reported no later than 15 calendar days after the final planting date for the crop. Crop acreage reports will be revised for prevented planting history credit following county committee review of the applications. Note to producers with crop insurance coverage: Crop Insurance prevented planting coverage provisions differ from FSA prevented planting history credit provisions. FSA history credit is determined by FSA farm number, not by producer.

Failed acreage: Reports of failed acreage must be filed before disposition of the crop and producers must be able to establish that the crop failed

and was prevented from being replanted due to a natural disaster.

FSA COMMITTEE ELECTION

Nominations are being accepted now for this fall's county committee election. The position for a representative for the Alturas/ Likely/ Canby/ Adin/ Lookout area will be up for election. Three positions will be filled: Regular Member, First Alternate and Second Alternate. If you are interested in being on the ballot and serving on the committee, please contact our office. Nomination petitions must be filed in our office by August 2, 2010.

Livestock Forage Program.

Modoc County was recently approved for a 2010 LFP. Producers who purchased a 2010 NAP grazing policy will soon be notified to schedule an appointment to apply for 2010 benefits. If you purchased a 2010 NAP policy for pasture, and do not get notified, please call our office. The final date to apply is January 30, 2011. If you're a livestock producer and are interested in the Livestock Forage Program (LFP) for 2010, keep in mind you **MUST** have purchased a NAP policy for grazing or meet an exception provision for Socially Disadvantaged, Limited Resource, or Beginning Rancher. Contact this office for additional information concerning the exception provisions. Pasture and Rangeland acreage reports must be made by July 15, to avoid late fees.

NAP Coverage - Deadlines & Details

The Non-Insured Crop Disaster Assistance Program (NAP) was designed to reduce financial losses that occur when natural disasters cause a catastrophic loss of production or prevented planting of an eligible crop by providing coverage equivalent to catastrophic (CAT) insurance. Statute limits NAP to each commercial crop or agricultural commodity, except livestock, for which CAT is not available.

12-1-2010 is the final date to purchase a NAP policy for 2011 coverage for all crops except tree fruit.

Producers who already have coverage on 2010 NAP crops may choose to continue coverage on the same crop or crops for 2011, if the applicable service fee is submitted by the application closing date. A new CCC-471, application for coverage is not required to be signed when applying for continuous coverage of the same crop or crops.

Producers who choose to add a new crop(s) or delete a crop(s) from previous year's coverage or changing crop shares must file a new CCC-471 with signatures and pay the applicable service fee. Producers with NAP coverage must remember to complete the following to qualify for benefits:

- Timely file acreage reports and keep track of harvested production using acceptable methods. For example, bale weights or other means of determining quantities of hay are required.
- File a **“Notice of Loss” within 15 days of when a loss is apparent, due to drought, hail, etc.**

NEW CRP Sign UP

Farmers and landowners interested in enrolling their cropland in the CRP program should be aware that a new general CRP signup is being proposed this summer. Details are not out yet, so if you are interested, please call our office. CRP allows farmers and landowners to set aside all or parts of their farm in exchange for a yearly rental rate, for a 10 year period.

FSA Signature Policy

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

There are exceptions to the rule, where spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities.

Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents.

Farm Loan Programs

The 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 up to a maximum of \$300,000. Guaranteed loans can reach a maximum of \$1,112,000. 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.

For details contact the county office staff for an appointment with a farm loan officer.

Farm Reconstitutions

For FSA program purposes, tracts having the same owner and the same operator are grouped under one farm serial number. When changes in ownership or operation take place, a farm reconstitution is needed. 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 1** for farms enrolled in specific programs.

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.

Modoc County Eligible for USDA Emergency Farm Loans

The Secretary of Agriculture, on December 15, 2009, declared a disaster designation in Shasta County based on damages and losses caused by drought. This designation makes Shasta County and contiguous counties, including Modoc, eligible for USDA emergency farm loans because of physical and production losses caused by drought, which occurred on January 1, 2009, and continuing.

A second disaster designation declared March 8, 2010, also makes Modoc County eligible for emergency farm loans because of physical and production losses based on damages and losses caused severe winter storms, flooding, and debris and mud flows, which occurred January 17, 2010, and February 6, 2010 in an adjoining county.

Farmers have eight (8) months from the declaration date to apply for loans to help cover part of their actual losses.

The eligibility requirements include, but are not limited to:

- Have suffered at least a 30 percent loss of normal production directly related to drought or sub-freezing temperatures mentioned above,
- Be able to repay the loan and any other loans,
- Be Unable to obtain credit elsewhere,
- Have adequate security,
- Have multi-peril crop insurance, if available, and
- Meet other eligibility criteria.

All applicants must complete a certification of disaster losses, which reflects the exact date(s) nature of the designated disaster and how it caused the loss or damage. Crop insurance field reports may be a source for documenting losses directly related to the cited cause.

Applications should be filed with Katherine Lewis, Farm Loan Officer, at the FSA office in Yreka at 215 Executive Court, Suite C, Yreka, CA, 96097. For more information, contact Katherine Lewis at (530) 842-6123.

Controlled Substances

Program participants convicted under federal or state law of any planting, cultivating, growing, producing, harvesting or storing a controlled substance are ineligible for any and all program payments and benefits. If convicted, the participant shall be ineligible for direct and counter-cyclical payments, price support loans, loan deficiency payments, market loan gains, storage payments, farm facility loans, Non-insured Crop Disaster Assistance Program payments or disaster payments.

SURE Program

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters that 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
- 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 an individual loss of at least 50% are eligible to receive SURE payments for 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, so that producers are not paid more than once for the same loss.

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.

Modoc County FSA Office
 802 W 12th Street
 Alturas, CA 96101



**PRESORTED STANDARD
 U.S. POSTAGE PAID
 PERMIT #22
 Davis, CA 95616**

Banking Changes?

Almost all Farm Service Agency payments are made electronically using Direct Deposit. This innovation has cut down on the number of missing and late payments and reduced the time required to move funds. It has been calculated that having a problem with a payment is 20 times greater with checks than with Direct Deposit. Another benefit is that Direct Deposit to your account can be made within 48 hours.

To keep the system running smoothly, it's critical to keep the county office staff up to date on changes you might make in your financial institutions.

If you have changed accounts or institutions that might affect the direct deposit of your FSA payments, contact the FSA county office so we can update our files to insure continued uninterrupted service.

| Selected Interest Rates for June 2010 | |
|---|--------|
| 90-Day Treasury Bill | 0.125% |
| Farm Operating - Direct | 3.125% |
| Farm Ownership - Direct | 5.125% |
| Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher | 1.50% |
| Emergency | 3.75% |

| Dates to Remember | |
|--------------------------|--------------------------------|
| 7-15-2010 | Acreage Reports Due |
| This summer | General CRP sign Up |
| 12-1-2010 | NAP Sign-up Ends |
| On going | Livestock Forage Program (LFP) |
| 1 June | Recons Should be filed |
| 1 August | Recons must be requested |

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, audiotope, 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."