



California
Monterey-Santa Cruz-
San Mateo County
FSA Office

FEBRUARY 2011

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Office Hours
Monday - Friday
8:00 a.m. - 4:30 p.m.

County Committee:
Nita Gizdich
Frank LaMacchia
Dan Luksik
Ed Roth

Advisor:
Jose (Tony) Serrano

*Si necesita
una
Explicación en
Español, Por
Favor Llámeme-
nos A La
oficina*

County Committee Election Results.

The 2010 County Committee elections held in central Monterey County (LAA#2) resulted in the following members and alternates being elected for the 2011 through 2013 term. Frank LaMacchia 26 votes, Betty Barrington, 19 votes, Francisco Covarrubias, 4 votes.

2009 Supplemental Revenue Assistance Program (SURE) 2009 Sign-up.

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters. SURE sign up for crop year 2009 losses runs from **January 10 to July 29, 2011**. To be eligible for SURE payments, a producer is required to have obtained 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. This requirement does not apply for crops that are not of economic significance or where the administrative fee required to buy NAP coverage exceeds 10% of the value of the crop 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 are required to trigger SURE payments: (1) at least one crop of economic significance must suffer a 10% production loss due to an eligible disaster condition; (2) 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, (3) 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.

2011 Direct & Countercyclical Program (DCP) Sign-up

Enrollment for the 2011 Direct and Counter-

cyclical Program (DCP) has begun and will continue through June 1, 2011. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2011, eligible producers may request partial direct payments as an advance on the total amount. The optional ACRE Program 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. The **June 1, 2011, signup deadline** is mandatory for all participants. USDA will not accept any late-filed applications. 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. An ACRE payment is issued when both the state and the farm have incurred a revenue loss. 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%, and marketing loan rates are reduced by 30%. 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.

CRP General Signup 41

A CRP signup will be held from **March 14, 2011 through April 15, 2011**. This signup will accept offers of environmentally sensitive acreage for new 10-15 year contracts, to enroll acreage effective beginning October 1, 2011 (2012 fiscal year). The number of acres accepted under this signup will be determined based on the environmental benefits and cost of the acres offered. Eligible land must be cropland that is planted or considered planted to an agricultural commodity four of the six crop years from 2002 to 2007, and be physically and legally capable of being planted in a normal manner (no easements or re-

strictions). To make an appointment, contact the county office.

Annual Payment Limitation Notification

Payments and benefits under certain programs are subject to some or all of the following: (1) payment limitation by direct attribution; (2) payment limitation amounts for the applicable programs; (3) actively engaged in farming requirements; (4) cash-rent tenant rule; (5) foreign person rule; (6) average Adjusted Gross Income (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.

Actively Engaged Rule Change

USDA has amended the rules that govern the requirements to be 'actively engaged' in farming. These rules apply to eligibility for payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE) program administered by FSA. Normally the stockholder or a member of a legal entity must make contributions of active personal labor and/or active personal management for the farming operation. The contributions are to be performed on regular basis, must be identifiable, and separate from the contributions of others. The exception to this rule for a stockholder or member of a legal entity only occurs when *both* of the following apply: (1) At least half of the interest in the legal entity is held by stockholders or members who are providing active personal labor or active personal management; and (2) The total direct payments received by the legal entity and each of the members does not exceed \$40,000.

Agricultural Foreign Investment Disclosure Act (AFIDA)

Any foreign person who acquires, transfers or holds any interest, other than a security interest, in agricultural land in the United States is required by law to report the transaction no later than 90 days after the date of the transaction. Foreign investors must file AFIDA reports with the FSA county office that maintains reports for where the land is located. Failure to file a report, filing a late report or filing an inaccurate report can result in a penalty with fines up to 25 percent of the fair market value of the agricultural land. For more information, contact the local FSA office or the USDA Web site at: <http://www.usda.gov>.

1099-G is in the Mail

Producers who have received payments from FSA are receiving a CCC-1099-G in the mail. A CCC-1099-G is a report to the Internal Revenue Service regarding FSA payments made to producers during the previous calendar year. When the CCC-1099-G is received, it should be checked with your records to see that the amounts are correct. It is not intended to replace the program participant's responsibility to report income to the IRS. *Refunds are no longer reported on the 1099-G, but will be available online from the FSA Financial Inquiries (FSA-FI) web-based database.* Program participants with an eAuthentication user ID and password may 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 a question concerning the 1099-G refund information, you may contact your local FSA office for assistance locating the correct payment data.

2011 Crop Acreage Reporting Dates Monterey, Santa Cruz, San Mateo Counties

- September 30, 2010... Value Loss Crops (Nursery, Flowers, Aquaculture)
- January 2, 2011..... Honey/Bee Hives
- April 30, 2011..... Small seeded grains/forage (Wheat, Barley, Oats, etc)
- July 15, 2011..... Tree & fruit crops, CRP, vegetables, herbs, native grass.

New! Asparagus Revenue Market Loss Assistance Program (ALAP)

Signup for this program is **February 7, 2011 through April 8, 2011**. This program compensates producers for revenue losses resulting from imports during the 2004 through 2007 crop years. Eligible asparagus producers will receive a market loss payment based upon the marketing category of their 2003 crop of asparagus. To qualify, producers must have produced and marketed asparagus in commercial quantities in the U.S. during both crop years 2003 and 2007. Producers must meet highly erodible land and wetland provisions, and the average adjusted gross income must be less than \$2.5 million for the three taxable years of 2003 to 2005 to be eligible for that marketing category payment type. Contact the office for an appointment.

2011 Non Insured Crop Disaster Assistance (NAP) Application Closing Dates

The closing dates to file applications for coverage for non-insured crops (NAP) crops are listed on the chart below. Note that in order to maintain eligibility for the NAP program, production records and a timely and accurate acreage report must be filed each year by the applicable reporting dates. For crops experiencing a yield reduction due to adverse weather, a notice of loss must be filed within 15 days of the date of the weather event. Production records must be filed by the earlier of your crop acreage report for the subsequent year, or July 15th. To be eligible for NAP benefits, a producer must have crop losses in excess of 50% due to an eligible adverse weather event. All NAP participants are provided a copy of the NAP Basic Provisions, which explain program requirements in detail. If you have misplaced your copy, contact the county office.

CROP YEAR 2011	Application closing date
Fall Planted Seed Crops (Spring & Fall Grains)	Aug 1, 2010
Value Loss Crops (Flowers, Aquaculture, Xmas trees)	Sept 1, 2010
Forage Seed Crops (Alfalfa, Clover, Grass etc.)	Sept 1, 2010
Garlic (fall planted)	Oct 1, 2010
Forage Crops, intended uses of Forage HAY-mechanical harvest Forage GZ - grazing	Dec. 1, 2010
Honey	Dec 1, 2010
Asparagus & Artichokes	Dec 15, 2010
Fruit/Nut Tree Crops: Almonds, Apri-cots, Blueberries, Cane Berries, Cher-ries, Grapes, Kiwi, Olives, Peaches, Strawberries, Walnuts, etc.	Dec 15, 2010
Apples (non-insurable)	Jan 31, 2011
Annual Vegetables: carrots, squash Broccoli, annual herbs, etc.	March 1, 2011
2012 Avocados & Citrus	Jan 1, 2011

NAP fees are \$250 per crop per county, not to exceed \$750 per county or \$1875 total for all crops in all counties. Limited resource farmers may have the application fees waived if they meet county established income levels for gross farm sales and total household income. To utilize the limited resource self determination tool go to: <http://www.lrfstool.sc.egov.usda.gov>

Adjusted Gross Income

USDA has a Memorandum of Understanding with the Internal Revenue Service to establish an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent from the IRS to verify AGI compliance will be required from each producer or payment recipient. No actual tax data will be included in the report that IRS sends to USDA. The agreement ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million non-farm average AGI for conservation programs. 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.

Sorghum Check Off Referendum.

Agriculture Marketing Service will conduct a referendum on the Sorghum Check Off Program February 1-28, 2011, at local Farm Service Agency (FSA) offices. Ballots may be obtained in person, by mail or facsimile at county FSA offices, or via the Internet at www.ams.usda.gov/sorghumpage. Any eligible person engaged in the production or importation of sorghum from July 1, 2008, to December 31, 2010, is eligible to participate. Individuals are required to provide documentation such as a sales receipt or remittance form that shows they engaged in the production or importation of sorghum. Sorghum Check Off is a national, coordinated, self-help marketing program designed to strengthen the position of sorghum in the market place, maintain and expand existing domestic and foreign markets and uses for sorghum, and develop new markets and uses for sorghum.

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Important dates to remember

January 10-July 29, 2011	2009 SURE Program Signup
February 7—April 8, 2011	Asparagus Program Signup (ALAP)
March 1, 2011	NAP Application Closing Date—Vegetables
March 14—April 15, 2011	General CRP Signup 41
April 30, 2011	Acreage Reporting Date—Small Seeded Grains/forage
June 11, 2011	DCP Signup Deadline
July 15, 2011	Acreage Reporting Date-CRP, Fruits, Vegetables, Native Grass, Herbs,

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