

### Farm Service Agency

April 2008 SACRAMENTO--AMADOR--PLACER--EL DORADO

# FSACounty News

ELK GROVE USDA Service Center

Sacmento/Amador Placer/El Dorado County FSA Office

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Hours

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

Sacramento-Amador County Committee

Kenneth Deaver, Chair Dennis Johnson, Vice Ronald Kelley, Member Fernando Trujillo, Member

**Placer County COC** 

Ken Mackey, Chair Barbara Hofman Member

**El Dorado County COC** 

John Caswell, Member

**COC Advisor** 

**Margaret Duarte** 

County Executive Director

**Bill Bryant** 

**Staff** 

Ruth Ford, Lead PT Jess Simoes, PT Beth Collier, PT

#### **OFFICE CLOSURE**

The Placer/Nevada/El Dorado County FSA Office in Auburn, CA was closed on March 7, 2008. The FSA operations for Placer and El Dorado Counties in the Auburn Service Center will combine with the Sacramento-Amador County FSA Office in Elk Grove and FSA operations for Nevada County will combine with the Sutter and Yuba County Office in Yuba City. While FSA will no longer maintain a day to day presence in Auburn, staff will be available on an as needed basis. Producers with questions may call Elk Grove (916-714-1104) or Yuba City FSA Offices (530-671-0850).

### SELECTING A NEW ADMINISTRATIVE OFFICE

With today's farming operations covering more than one county, the Farm Service Agency (FSA) wants to inform producers they have the option to combine their farm records in the FSA office of their choice for convenience purposes. Selecting a new administrative FSA office is an option available to producers for the ease of servicing FSA program participation on farms in multiple counties.

Changing to a new administrative allows a producer to transfer farm records to a neighboring county office if they can document to FSA that the change would be "significantly" more convenient. Examples of significantly more convenient would be working in the town, or doing most other farming business in the town. Other reasons may exist.

Transferring farm records to a new administrative county office for convenience is a one time selection for the current op-

erator and land owner. The operator and land owner must agree to do business in the new administrative county once the records are transferred. However, a new operator would have the option of transferring the land to another county in the future.

Additional information on transferring farm records is available at any FSA office.

### Beware of Crop Insurance Rebating Schemes

With the spring sales closing date for many Federal crop insurance policies right around the corner, crop insurance agents have stepped up their marketing efforts. The Risk Management Agency (RMA) has received reports from producers and agents that some aggressive marketers have been approaching producers with rebate offers. These schemes promise lower insurance premiums, refunds, dividends, or items of value tied to crop insurance purchases. Most of these activities are illegal.

RMA reminds all Federal crop insurance program participants that it is now coordinating with state regulators to take appropriate regulatory action against all those who are found to promote or participate in such schemes. Producers who are found to participate in illegal rebating activities will not only lose their crop insurance coverage but will also lose eligibility in all USDA programs. Producers and agents can report suspicions of illegal rebating to the OIG Hotline: 1-800-424-9121.



### **Acreage Reporting**

Acreage reporting time will soon be here. Please remember that 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 the April 30 deadline on small grains and a July 15 deadline on all other crops.

#### **SUCCESSION IN INTEREST**

If you have made any changes that affect your interest in base acres since you signed your last Direct and Countercyclical Program contract, you must report these *successions-in-interest* to the county committee by Sept. 30, so that a final determination can be made on who is program eligible on the property. Changes that qualify as a succession-in-interest include:

- A sale of land
- A change of operator or producer, including a an increase or decrease in the number of partners
- A foreclosure, bankruptcy or involuntary loss of the farm.
- A change in producer shares to reflect changes in the producer's share of the crop(s) that were originally approved on the contract.

If a succession-in-interest has taken place, you, as the "predecessor," are required to refund any advance DCP payments you received for the affected base acres before a payment can be made to the "successor."

Not reporting a succession-in-interest can result in contract termination and a loss of

program benefits for all producers involved.

**Note:** Changes that require a reconstitution must be reported to the county committee by Aug. 1 of the fiscal year in which the change occurred.

#### **REPORTING LOSSES**

If you had any failed crop acres, give serious thought to report them before destroying crop evidence. If Congress authorizes a crop disaster program in the future, proof of failed acreage may be required for your participation.

It's important to report failed acreage not brought to harvest to the county office staff prior to destruction. Ensuring that failed acres are documented could be the determining factor in whether you are eligible for future crop disaster program payments. If you are experiencing low crop yields, you should keep good production records, but you don't need to report this acreage right now.

The CCC-576, Notice of Loss, is used to report failed acreage and may be completed by any producer with an interest in the crop. For losses on crops covered by the Non-insured Crop Disaster Assistance Program (NAP), you must contact the FSA county office staff within 15 days of the occurrence of the disaster or when losses become apparent. Producers with crop insurance should contact their local agent when losses occur and before destroying the crop.

## No Partial Counter-Cyclical Payments for Grains & Oilseeds

Based on supply/demand and price projections from USDA's World Agriculture Supply and Demand Estimates, producers of crops **other than** cotton and peanuts, will not receive a second partial countercyclical payment. When effective commodity price projections are equal to or more than their respective target prices; the commodities do **not** qualify for counter-cyclical payments.

### CREP & Continuous CRP Status Update

USDA has recently indicated there will **not** 



be general signups scheduled for the Conservation Reserve Program (CRP) in 2008. The budget for FY 2008 assumes no available funding for CRP general signups.

However, environmentally sensitive acreage qualifying for the Conservation Reserve Enhancement Program (CREP) or Continuous CRP may still be eligible for enrollment contingent on funding availability and state/local agency participation. Watch for further information about availability of these programs.

### Sodbuster, Swampbuster

Most Farm Service Agency programs require compliance with sodbuster and swampbuster provisions. These provisions require producers to follow an approved conservation system on all highly erodible land planted to an annual crop as determined by the Natural Resources Conservation Service.

Be sure to have determinations made on any new land you plan to plant to annual crops. If you plan to plant a different crop on your current cropland, check with NRCS to assure the new crop will qualify under your conservation system. Swampbuster provisions state that converting a wetland to make possible the planting of a crop will result in the loss of all USDA benefits. To avoid this possibility it is strongly recommended that producers check with NRCS before starting to work in the fields.

#### Flexible or Cash Lease

Producers should be careful to differentiate between flexible leases and cash leases when reporting to the Farm Service Agency (FSA).

Flexible leases, in which the producer pays a base rent, and offers a bonus on yield and/or price increase to a landowner, are considered by the Farm Service Agency as share leases. Cash leases specifying a fixed amount, not subject to changes from yield or price are common and the norm across the country. Flexible or hybrid leases are now coming to the attention of FSA.

Each year FSA participants complete form CCC-502 Continuation Sheet for Leased or Owned Land which are subject to spot check. Paying more than what the original lease specifies may violate a producer's CCC-502, if not completed correctly. A violation could make an operator ineligible for Direct Counter-cyclical Payments (DCP).

Example: A lease that is for \$100 acre plus an additional \$40 per acre if the crop exceeds \$4/bushel or 170 bushels corn/acre or \$7/bushel or 40 bushels of soybeans per acre is by FSA procedure a share lease. FSA procedure states that, a lease is a share lease if the lease bases the amount of rent on the quantity of crop produced or the proceeds from the crop, or the interest a producer would have if the crop had been produced.

### **DDAP III Sign Up Resumes**

Eligible dairy producers who suffered losses during 2005, 2006, or 2007 may now apply to receive benefits under the Dairy Disaster Assistance Program III (DDAP III) beginning March 5. The final rule published in the Federal Register on March 4 specifies that this newly reopened sign up period ends on May 5, 2008.

FSA began enrolling producers in DDAP III in late 2007. Then in early 2008 FSA temporarily halted sign up pending the completion of rulemaking. Based on public comments on the program elicited during this suspension, FSA made minor changes to the DDAP III rules.

To be eligible, a producer's operation must be in a county designated a major disaster or emergency area by the president or declared a natural disaster area by the secretary of agriculture between January 1, 2005 and December 31, 2007. Producers in contiguous counties are also eligible. Further eligibility is possible if an FSA Administrator's Physical Loss Notice was issued. For further information, contact our office or visit www.fsa.usda.gov/ca.



### **FSA Signature Requirements**

Proper signatures on Farm Service Agency contracts, applications and forms must be submitted before the document will be considered as filed. All entities, including revocable and irrevocable trusts. corporations, partnerships, estates, etc., must provide evidence of signature authority stipulating those individuals who are authorized to represent the entity. FSA cannot accept signatures without such documentation on file. Examples of acceptable evidence include trust agreements, corporate charters or resolutions, partnership agreements and court orders of appointment. Spouses can sign for one another on most program documents unless written notification denying a spouse this authority has been provided to the county office staff.

Dates to Remember	
04-30-2008	Fall seeded crops
07-15-2008	Spring seeded crops
08-01-2008	NAP closing fall planted seed crop
09-01-2008	NAP closing forage crops
12-01-2008	NAP closing date honey
12-15-2008	NAP closing date fruit crops, almonds, apricots, asparagus, caneberries, cherries, grapes, kiwi, mint, nectarines, olives, peaches, pears, persimmons, pistachios, plums, pomegran- ates, strawberries, walnuts
01-01-2009	NAP closing citrus
01-31-2009	NAP closing apples
	Office closed on:
05-26-2008	Office closed Memorial Day
07-04-2008	Office closed Independence Day

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