



FARM SERVICE AGENCY

USDA Service Center

3800 Cornucopia Way, Suite E
Modesto, CA 95358
Phone (209) 491-9320
Fax (209) 491-9331

Hours

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

County Committee (COC)

David Santos, Chairman
Kurt Erickson, Vice Chair
Dave Wheeler, Member
Stuart Crook, Member
Dale Matney, 1st Alternate
Mary Blake, 1st Alternate
Tina Nunes, Advisor
Miguel Garcia, Advisor

Next COC Meeting:

April 1st, 2010

Farm Program Staff:

Jonna Spaletta, CED
Maria Juárez, PT
Latisha Kahn, PT
Ashley Nichols, PT
Carmen Cardenas, PT

Farm Loan Staff:

Suzie Wilson, State Specialist
Joe Enos, Acting FLM
Alma Jaquez, PT
Lupe Mims, PT

For further details and to discuss
your own operation's eligibility for
any program, contact your nearest
FSA local office.

For a list of local offices, visit
www.fsa.usda.gov/ca



Stanislaus - Tuolumne County News

March 2010 Issue

DCP/ACRE Signup Ends June 1, 2010

Signups for the 2010 Direct and Counter-cyclical Payment (DCP) and Average Crop Revenue Election (ACRE) Programs continue until **June 1, 2010**.

FSA computes DCP 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, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. Counter-cyclical payments for a commodity are only issued if the effective price for the commodity is below the commodity's target price.

The alternative ACRE Program provides a safety net based on 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 average market price for each eligible commodity. For 2010, the 2-year price average will be based on the 2008 and 2009 crop years. Payments are based on planted or prevented planted acres of commodity crops. In order to receive a payment for the crop, there must be both a state and farm revenue loss. 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 assistance loan rates are reduced by 30%. The decision to enroll in the ACRE Program is irrevocable.

FSA will not accept late-filed applications for either program, so make sure to mark the deadline of June 1st on your calendars! Also, **Fall Crop Certifications** must be completed by **April 30, 2009** or a late fee will be charged. If you have missed your appointment or have not been scheduled one, please contact our office as soon as possible to schedule an appointment as the deadline is rapidly approaching.

Supplemental Revenue Assistance Program

Currently applications for the Supplemental Revenue Assistance Program (SURE) are being taken for the 2008 Crop Year. SURE provides benefits for farm revenue losses due to natural disasters that were incurred starting in the crop year 2008 through September 30, 2011. To be eligible for SURE payments, a producer is required to obtain crop insurance on **all** crops of economic significance in all counties; or, if crop insurance is not available, to purchase Non-Insured Crop Assistance Program (NAP) coverage for the crops grown.

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 to the total expected revenue from all crops produced on the farm
- the farm experiencing the loss must be in a county declared a disaster by the Secretary of Agriculture, or in a contiguous county. (Those who show proof of an individual loss of at least 50% are also eligible to receive SURE payments for 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/Internet/FSA_File/sure_calculator_2008.xls. The calculator is not official, but is intended for educational use. A fact sheet and backgrounder are also available online. Please contact Maria or Latisha at the Stanislaus/Tuolumne County Office for more information.

ELAP Deadline Extended

Emergency Assistance for Livestock, Honey Bees & Farm-Raised Fish (ELAP) provides compensation to eligible producers of livestock, honey bees, and farm-raised fish for losses due to disease, adverse weather, or other loss conditions, including losses due to blizzards and wildfires caused by natural occurrence. ELAP is for losses that are not covered by LIP, LFP, or SURE.

Physical losses of honey bees due to adverse weather or natural occurrence (such as colony collapse) are eligible under ELAP. Producers will be required to provide documentation of beginning and ending inventory of honey bee colonies when claiming a physical loss of honey bees.

The due date for applications has been extended for both the 2008 & 2009 years until 14 days after the Code of Federal Regulations is published (unknown at this time). If you are interested in participating or have questions, please contact Ashley at the county office.



Adjusted Gross Income

USDA has a new Memorandum of Understanding (MOU) with the Internal Revenue Service (IRS) to establish an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent will be required from each producer or payment recipient for the tax review process. No actual tax data will be included in the report that IRS sends to USDA.

This agreement ensures that payments are not issued to producers whose AGI exceeds certain limitations.

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 DCP payments
- \$1 million nonfarm average AGI for conservation programs (unless 66% or more comes from farming).

Participants in CCC programs subject to average AGI rules must submit form CCC-927 (Individual) and/or CCC-928 (Legal Entity) to the IRS by June 15 to avoid interruption of program benefits. These forms may be obtained from local FSA and NRCS offices or online at: <http://forms.sc.egov.usda.gov/eforms/mainervlet>.

County Committee Election Results

Congratulations to David Wheeler & Stuart Crook!

David Wheeler was re-elected to represent farmers from LAA #2 which covers central Stanislaus County & Stuart Crook was newly elected to represent farmers from LAA #4 covering Tuolumne County.

The election results for Local Administrative Area #2 are:

David Wheeler - COC Member

David Absher - 1st Alternate

The election results for Local Administrative Area #4 are:

Stuart Crook - COC Member

Mary Blake - 1st Alternate

FSA appreciates all of the voters who took the time to complete the election ballot. The county committee system works only because of your participation!

Important NAP Information

Just a reminder for those producers who purchased 2009 Non-Insured Crop Disaster Assistance (NAP) coverage. 2009 Acreage Reports & Notice of Losses should have already been filed. Notice of Losses must be filed timely, which is within 15 days of: the date of disaster, or when the loss became apparent.

If you have not filed a Notice of Loss or Application for Payment for the 2009 crop year, this must be completed by the acreage reporting deadline for the subsequent crop year.

2009 Applications for Payments are due by: April 30, 2010 for Fall/Winter seeded crops, or July 15, 2010 for Spring/Summer seeded crops & native grass.

FSA Power of Attorney

For those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., FSA has a power of attorney form (FSA-211) available that enables you to designate another person to conduct your business at the office. This form can be notarized by a licensed notary or by a county office employee. If you are interested, please contact our office or any Farm Service Agency office nearest you for more information.

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.

For more clarification on spousal signature authority, feel free to contact our office.



FSA Payment Record 1099-G

Producers who have received payments should have received a CCC-1099-G. A CCC-1099-G is a report to the Internal Revenue Service (IRS) about FSA payments made to producers during the previous calendar year. The CCC-1099-G is to help participating producers report taxable income. It is not intended to replace the program participant's responsibility to report income to the IRS.

When the CCC-1099-G is received, it should be checked with your records to see that the amounts are correct.

Refunds will no longer be reported on the 1099-G, but will be available online from the FSA Financial Inquiries (FSA-FI) web-based database. The FSA staff can assist you with any questions regarding your 1099.

Bank and Account Changes

Current policy mandates that FSA payments be electronically transferred into your bank account. **In order for timely payments to be made, producers need to notify the FSA county office if your account has been changed or if another financial institution purchases your bank.** Payments can be delayed if the FSA office is not aware of updates to your account(s) and routing number(s).

Loans for the Socially Disadvantaged

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.

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 each stockholder or a member of a legal entity must make contributions of active personal labor and/or active personal management to 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 if **both** of the following apply:

- 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
- The total direct payments received, both directly and indirectly, by the legal entity and each of the members do not exceed \$40,000.

Farm Loan Programs

The FSA offers loans for eligible 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 for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,112,000. Emergency loans are available 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 & Ranchers and loans for the socially disadvantaged are also available.

For details please contact the county office farm loan staff.



Stanislaus / Tuolumne
County FSA Office
3800 Cornucopia Way, Ste E.
Modesto, CA 95358



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

REMINDER

Acreage Certifications required for all 2010 programs are due once crops are planted.

The deadlines to timely report crops are as follows:

- **April 30th, 2010:** Final day to report fall/winter planted crops (oats, wheat, etc.)
- **July 15th, 2010:** Final day to report spring/summer crops & native grass (corn, permanent planting crops, etc.)

If acreage reports are not filed timely, you will be charged a late filed fee. Fees charged are as follows: \$30/farm plus \$16 for the 1st hour, with \$8/hr thereafter (minimum of 1 hr).

Participation in the following programs require acreage reports to be on file: DCP/ACRE, SURE, NAP, LFP & ELAP

Dates to Remember

April 1st	County Committee Meeting
April 30th	Final day to report fall/winter planted crops (oats, wheat, etc.)
June 1st	Final Day to apply for DCP/ACRE
July 15th	Final day to report spring/summer crops & native grass (corn, permanent plantings, etc.)
Extended	ELAP - 2008 & 2009 Applications
Continuous	MILC Program SURE Signup Farm Loans - Direct & Operating

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."