June 2011

Boundary/Bonner FSA Office

County Executive Director
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Hours
Monday - Friday
7:30 a.m. - 4:30 p.m.

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COC Election Nominations

The election of agricultural producers to Farm Service Agency (FSA) county committee starts with the nomination of eligible candidates.

To become a nominee, eligible individuals must sign nomination form FSA-669A. The form includes a statement that the nominee agrees to serve if elected. This form is available at USDA Service Centers and online at: http://www.fsa.usda.gov/Internet/FSA_File/fsa0669a_commiteeelectform.pdf

Nomination forms for the 2011 election must be postmarked or received in the local USDA Service Center by close of business on Aug. 1, 2011.

Agricultural producers who participate or cooperate in an FSA program may be nominated for candidacy for the county committee. Individuals may nominate themselves or others as a candidate. Additionally, organizations representing minority and women farmers or ranchers may nominate candidates. Nomination forms are filed for the county committee of the office that administers a producer's farm records.

Disaster Assistance

The Farm Service Agency would like to remind crop and livestock producers throughout states that have recently experienced severe damage from flooding, wildfires and tornadoes that FSA programs are available to assist with recovery.

FSA administers several important programs that help producers recover from disaster damage and livestock deaths. Among the key programs available to address impacts from disasters are the Emergency Conservation Program (ECP), the Livestock Indemnity Program (LIP), Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP), the Noninsured Disaster Assistance Program (NAP) and the Supplemental Revenue Assistance Payments (SURE) Program.

Fact sheets for all of these programs can be found at www.fsa.usda.gov; click on Newsroom, then Fact Sheets.

We encourage all who have suffered a disaster due to the recent severe weather conditions to read the fact sheets and visit the local FSA county office so they get a quick start in the recovery process.

2010 ACRE Certification Deadline Extended

The deadline for a 2010 production certification to comply with the ACRE provisions for production reports has been extended to COB September 1, 2011. Because of this extension, using a register on September 1, 2011, is **not** authorized.

The extension is for completing both the farm benchmark yield (2005 through 2009) and the actual farm yield (2010). For more details contact the local FSA office.

Farm Loan Programs

The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, or regularly borrow from FSA, direct and guaranteed loans are currently available.

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 $1,119,000. Producers are encouraged to apply early so that a loan can be processed and funded in a timely manner.

FSA employees will help you complete the necessary application and other forms, and help you understand what information is required, where to find it or who to contact to get it.

Payment Limitations

Any producer who plans to participate in 2011 FSA programs that fall under Handbook 4-PL rules will be required to submit a completed CCC-902, CCC-926 and, if needed, a CCC-901. The completed forms are necessary to determine payment eligibility and payment limitation for FSA programs. The form used previously was called a CCC-502. The CCC-502 and related forms may still be required for certain programs, such as, successor-in-interest to CRP contracts approved under Handbook 1-PL rules.

All partners, stockholders, or members with an ownership interest in the legal entity must make a contribution, whether compensated or NOT compensated, for*

- Active personal labor
- Active personal management
- OR a combination of active personal labor and active personal management

*Note: There are exceptions, for example, "If the total direct payments under DCP received, both directly and indirectly for the program year by the partners, stockholders, and members does NOT exceed one limitation ($40,000), the requirement of a significant contribution of active personal labor or active personal management may be met by partners, stockholders, or members who collectively hold at least 50 percent of the ownership interest in the legal entity.

Additional information on payment eligibility is available at FSA county offices or online at www.fsa.usda.gov.

Crop Reporting

The annual requirement of reporting to the FSA office can be referred to as crop reporting, acreage reporting, or crop certification. Filing an accurate and timely report for all crops and land uses, including failed acreage, can prevent loss of benefits for a variety of Farm Service Agency programs. All cropland on the farm must be reported to receive benefits from the Direct and Counter-cyclical Program, marketing assistance loans and Loan Deficiency Payments.

The certification form FSA-578, Report of Acreage, must account for all cropland on a farm, whether idle or planted. The producer certification deadline is June 30, 2011.

CRP & NAP Certification

Conservation Reserve Program acreage must be reported to receive annual rental payments. And, crop acreage for Non-insured Crop Disaster Assistance Program (NAP) must also be reported.

Prevented Planting:

Prevented planting is to be reported no later than 15 calendar days after the final planting date. Failure to report prevented planting acreage could result in loss of benefits for the SURE program or possibly other disaster assistance programs.

Failed Acreage:

Reports of failed acreage must be filed before disposition of the crop, and producers must be able to establish to the satisfaction of the county committee that the crop failed and was prevented from being replanted through the normal planting period because of natural disaster conditions.

Sodbusting

Farmers and ranchers should be aware that if they use highly erodible land for crop production without proper conservation measures, they risk losing eligibility to participate in Farm Service Agency programs.

Before producers clear, plow or otherwise prepare areas not presently under crop production for planting, they are required to file an AD-1026, indicating the area to be brought into production.

If Natural Resources Conservation Service indicates that the area will be highly erodible land, the producer will be required to develop and implement a conservation plan on the affected acreage, before bringing land into production.

Compliance

Compliance and spot checks will once again be utilized during the 2011 crop year. Instead of locally selecting farms, contracts, deficiency loans, etc. for spot check and review, a nationwide selection of producers is used to achieve a statistical sampling of participating producers. Spot check selections are to be conducted based on a producer's participation in the Conservation Reserve Program, Direct and Counter-cyclical Program, Loan Deficiency Program, etc.

State and county offices shall view and print their producer spot check lists as posted on the designated web site.

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If an entity is selected from the national database that is no longer farming or participating in the 2011 crop year, a notation shall be made on the spot check list. For more information about the new spot check selection procedure, feel free to contact your local office for additional clarification.

GIS

As part of a program to digitally map the nation's farms and fields, the United States Department of Agriculture (USDA) has established the Common Land Unit (CLU) as a standardized GIS (Geographic Information Systems) data layer that has allowed mapping to be integrated easily on a nationwide basis. The Farm Service Agency manages this CLU data layer through a distributed database environment for all field service centers throughout the country.

Using GIS provides for more consistent and more accurate land measurements, such as field acreage and acreage boundaries of conservation practices, such as riparian buffers. With high quality digital imagery, new land use changes (farm transfers and land subdivisions) can be easily updated. Maps can be created in either paper or digital format for FSA customers or the public.

More information about the Common Land Unit and NAIP imagery can be found by visiting on-line, APFO (Aerial Photography Field Office) at www.apfo.usda.gov.

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 program payments and benefits.

If convicted of one of these offensives, the program participant shall be ineligible during that crop year and the four succeeding crop years 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.

Program participants convicted of any federal or state offense consisting of the distribution (trafficking) of a controlled substance shall, at the discretion of the court, be ineligible for any or all program payments and benefits:

- for up to 5 years after the first conviction
- for up to 10 years after the second conviction
- permanently for a third or subsequent conviction.

Program participants convicted of federal or state offense for the possession of a controlled substance shall be ineligible, at the discretion of the court, for any or all program benefits, as follows:

- up to 1 year upon the first conviction
- up to 5 years after a second or subsequent conviction.

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 necessary.

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 **Aug. 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 base attributed to the tract level when the reconstitution is initiated in the system.

NOTICE TO HISPANIC AND/OR WOMEN FARMERS OR RANCHERS

COMPENSATION FOR CLAIMS OF DISCRIMINATION

If you believe that the United States Department of Agriculture (USDA) improperly denied farm loan benefits to you between 1981 and 2000 because you are Hispanic, or because you are female, you may be eligible to apply for compensation.

To register your name to receive a claims packet, call the Farmer and Rancher Call Center at 1-888-508-4429 or visit: www.farmerclaims.gov

The claims package will have detailed information about the eligibility and claims process.

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United States Department of Agriculture
Farm Service Agency

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 your local FSA office.

Maintaining CRP Cover

Maintenance of CRP acreage is your responsibility as outlined in the provisions agreed upon at the time the CRP contract was originated including your specific conservation plan. Proper maintenance includes:

- Adequate approved vegetative cover to control erosion for the contract period.
- Control weeds and other types of undesirable vegetation.
- All control measures outside of the primary nesting season.

Idaho's primary nesting season is April 1st through August 1st.

Please keep in mind mowing for a cosmetic purpose is prohibited. That is why it is important to review your conservation plan and talk to FSA if you think undesirable plant species are invading your CRP land.

Common maintenance defaults:

- Unauthorized haying or grazing (this includes livestock of any ownership breaking through your fence and grazing on your CRP).
- Noncontrol of weeds, insects, rodents, or wind or water erosion.
- Failure to maintain eligible cover.

Defaults result in costly payment reductions. For example, the payment reduction for unauthorized grazing would be calculated by multiplying the value per acre of the grazed production as determined by the COC times the number of acres in violation, times 2. Don't let it happen to you.

Selected Interest Rates for June 2011	
Farm Operating - Direct	2.75%
Farm Ownership - Direct	5.00%
Limited Resource	5.00%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency	2.75%
7 Yr Farm Storage Facility	2.625%
Sugar Storage Facility	3.75%

Dates to Remember	
1 Aug	COC Nomination Due in County Office
1 Aug	Reconstitutions Request Deadline
1 Sept.	2010 ACRE Certification Deadline

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