**June 2013**

**North Carolina State FSA Office eNews**

**Acting State Executive Director**
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**Hours**
Monday - Friday
8:00 a.m. - 4:30 p.m.

**State Committee:**
T. Pender Sharp, Chairman
John E. Ashe, Jr., Member
Tom O. Gilmore, Member
Nancy Fish, Member

**State Office Management:**
Mike Eaves, Administration Officer

Tim Jones, Chief Farm Programs

Mike Huskey, Chief Farm Loans

Phillip Farland, Civil Rights Coordinator

Eddie Woodhouse, Public Affairs/ Outreach Coordinator

## COC Election Nominations

The election of agricultural producers to Farm Service Agency (FSA) county committees is important to ALL farmers and ranchers. It is crucial that every eligible producer participate in these elections because FSA county committees are a link between the agricultural community and the U.S. Department of Agriculture (USDA).

County committee members are a critical component of the operations of FSA. They help deliver FSA farm programs at the local level. Farmers and ranchers who serve on county committees help with the decisions necessary to administer the programs in their counties. They work to ensure FSA agricultural programs serve the needs of local producers.

FSA county committees operate within official regulations designed to carry out federal laws. Members apply their judgment and knowledge to make local decisions.

The COC nomination period runs from June 17, 2013 through August 1, 2013. The nomination form is available at USDA Service Centers and online.

Contact the local FSA office for details.

## DCP/ACRE Deadlines Approach

The sign-up period for DCP and ACRE is still open. Producers are encouraged to sign up for DCP before the Aug. 2, 2013, deadline. An even earlier deadline is for ACRE, which will end June 3, 2013.

The 2013 DCP and ACRE program provisions are unchanged from 2012, except that all eligible participants in 2013 may choose to enroll in either DCP or ACRE for the 2013 crop year. This means that eligible producers who were enrolled in ACRE in 2012 may elect to enroll in DCP in 2013 or may re-enroll in ACRE in 2013. Likewise producers who were enrolled in DCP may opt for ACRE enrollment.

Read more about DCP and ACRE or contact the FSA county office for more information, or an appointment to enroll.

## CRP Sign-Up Ends June 14th

Enrollment for the Conservation Reserve Program (CRP) ends June 14, 2013. CRP protects the nation's natural resources through voluntary participation, while providing significant economic and environmental benefits to rural communities across the United States.

Currently, about 27 million acres are enrolled in CRP. Producers that are accepted in the program can receive cost-share assistance to plant long-term, resource-conserving covers and receive an annual rental payment for the length of the contract which is 10-15 years.

Contracts on 3.3 million acres of CRP are set to expire on Sept. 30, 2013. Producers with expiring contracts or producers with environmentally sensitive land are encouraged to evaluate their options under CRP.

For more information on CRP and other FSA programs, visit a local FSA service center or www.fsa.usda.gov.

## 2011 Supplemental Revenue Assistance Program Application Deadline

The last day to submit SURE applications for 2011 crop losses is June 7, 2013. The SURE Program provides payments to producers when crop revenues are less than the crop guarantee. The SURE Program payment is equal to 60 percent of the difference between the crop guarantee and revenue.

To determine the guarantee and revenue for the SURE Program, all crops on all farms for a producer are included in the calculation. Payments under the SURE Program are limited to $100,000.

To be eligible for the 2011 SURE Program, producers must have crop insurance on all insurable crops. For crops that are not covered by crop insurance such as pumpkins and cucumbers, producers must have purchased Non Insured Crop Disaster Assistance Program (NAP) coverage.

For more information concerning the 2011 SURE program or other Farm Service Agency programs, contact the local FSA office or visit the Farm Service Agency website at www.fsa.usda.gov/pas/.

## Payment Limitations

All payment eligibility and payment limitation provisions, including AGI limitations, are extended for the 2013 crop year, program year, and fiscal year.

All rules and requirements effective for 2012 program payments and benefits are applicable to eligible recipients of 2013 program payment and benefits. This includes the requirements of actively engaged in farming, cash-rent tenant, substantive change, minor child, and spousal provisions. Payments will continue to be limited by direct attribution to person and legal entity.

**Contributions***

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,
- A combination of active personal labor and active personal management to the farming operation

*Note: There are exceptions for spouses.

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

## Crop Certification

After spring planting, producers should certify their 2013 acreage. 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 enrolled in programs other than NAP (Noninsured Crop Disaster Assistance Program), acreage reports are to be certified by the January 15th, 2013 deadline on small grains and a July 15th deadline on all other crops.

Producers are highly encouraged to call ahead for an appointment which will save them time when making their reports. Making an appointment allows us to have your paperwork ready when you arrive and ensures that you will not have to wait in line for someone to assist you.

## Direct and Guaranteed Loans

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.

Ask your lender about an FSA loan guarantee if you've had a setback and your lender is reluctant to extend or renew your loan.

Guaranteed loans have a maximum limit of $1,302,000. This makes the maximum combination of direct and guaranteed loan indebtedness $1,602,000.

The one-time loan origination fee charged on FSA guaranteed farm ownership and operating loans is 1.5 percent of the guaranteed portion of the loan.

To find out more about FSA loan programs, contact the county office staff.

## 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 one year upon the first conviction
- Up to five 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 purchases your bank. It is important that any changes in a producer's account such as type account, bank mergers, routing number or account numbers, be provided to the county office promptly to avoid possible payment delayserial 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 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.

## Banking Changes?

If you changed banks and did not notified FSA, your payment could be delayed. Payments are electronically transferred into your bank account, if we are not aware of changes to your account and routing numbers, there could be problems. In order to make timely payments, you need to notify the office if you close your account or if another financial institution purchases your bank. It is important that any changes in a producer's account such as type account, bank mergers, routing number or account numbers, be provided to the county office promptly to avoid possible payment delay.

## 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.

# Part Time Office

Please note the following ***permanent*** change in office hours.

The CED for Madison and Buncombe Counties will be Charles Zink. The County Committee will remain intact for each location and will continue to meet regularly.

New office hours are as follows:

**Effective June 30, 2013**

**MADISON COUNTY FSA OFFICE**

Located at 4388 US 25/70 Highway, Suite 1, Marshall, NC

**Hours are:** Monday - Friday

8:00 am to 5:00 pm

**BUNCOMBE COUNTY FSA OFFICE**

Located at: 155 Hillard Ave., Suite 200, Asheville, NC

Hours are:

Wednesday 8:00 am to 4:30 pm

Closed: Monday, Tuesday, Thursday and Friday

Customers may contact or visit Madison County office for assistance.

## Special Accommodations

Reasonable accommodations will be made, upon request, for individuals with disabilities, vision impairment, or hearing impairment to attend or participate in meetings or events sponsored by the Farm Service Agency. If you require special accommodations to attend or participate in one of our events, please call the FSA county office and we will be happy to make any needed arrangements.

## Loans for the Socially Disadvantaged

FSA has farm operating loans as well as loans to purchase or improve farms or ranches to assist applicants to begin or continue in agriculture production. While all qualified producers are eligible to apply for these loan programs, FSA has priority funding for socially disadvantaged applicants.

A socially disadvantaged applicant is a person who is a member of a group that has been subjected to racial, ethnic or gender prejudice without regard to the members' individual qualities. For purposes of this program, socially disadvantaged groups are women, African-Americans, American Indians, Alaskan Natives, Hispanics, Asian-Americans and Pacific Islanders. FSA loans are available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

| Selected Interest Rates for June 2013 | |
|---|---|
| 90-Day Treasury Bill | .125% |
| Farm Operating - Direct | 1.250% |
| Farm Ownership - Direct | 3.375% |
| Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher | 1.5% |
| Emergency | 2.250% |

| Dates to Remember | |
|---|---|
| June 3 | ACRE Sign-up Ends |
| June 7 | SURE Applications accepted for 2011 losses |
| June 17 | COC Nominations Open |
| Aug. 1 | Last Day to File COC Nominations |
| Aug. 2 | DCP Sign-up Ends |
| Nov. 4 | COC Ballots Mailed to Eligible Voters |
| Dec. 2 | Last Day to Return COC Ballots |

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