



NEWSLETTER



Hancock Ohio FSA News

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2011 Direct and Counter-Cyclical Program and Average Crop Revenue Election Signup

Producers may enroll a Direct and Counter-Cyclical Program (DCP) or Average Crop Revenue Election (ACRE) Contract (CCC-509) for the 2011 contract year under late-filing provisions during the period June 2, 2011 through August 1, 2011. A late-filing fee is not required when submitting a contract during the late-filing period. Please note that the final date to make Average Crop Revenue Election Program Irrevocable Election on form CCC-509 ACRE was June 1, 2011. The late filing period does not provide an additional opportunity to make the irrevocable ACRE election.

Designation of ACRE Payment Acres

Producers on a farm participating in the 2011 ACRE program can designate the covered commodity(s) that may receive potential 2011 ACRE program payments if the planted and considered planted (P&CP) acres of all covered commodities on the participating farm exceed 120 percent of the total base acres on the farm. The maximum potential ACRE payment acres for each covered commodity are calculated by multiplying the P&CP acres for each covered commodity times 83.3 percent. The total ACRE payment acres on the farm cannot exceed the farm's total base acres.

Producers do not have to make a designation if only one crop is planted or if the sum of the P&CP acres of all covered commodities on the farm is less than 120 percent of the total base acres on the farm. All producers who share in the covered commodities must sign form CCC-528 to designate ACRE payment acres by September 30, 2011. Payment acres will be allocated based on the percentage of the P&CP acres of a covered commodity to the total P&CP acres of all covered commodities on the farm if no designation is made.

2010 ACRE Program Production Reports

Producers participating in the ACRE program for 2010 are required to report 2010 production to be used to compute 2010 ACRE payments, if applicable, and 2011 benchmark farm yields. The reporting deadline for 2010 production reports is July 15, 2011. Production reports may be submitted by the 2010 crop year operator, owner or other producer with an interest in the reported acreage. Failure to file a production report (FSA-658) for a farm enrolled in ACRE will result in the farm's producers being ineligible for any ACRE contract payments and the actual yield used to determine future benchmark farm yields will be zero.

2011 ACRE Benchmark Farm Yields

Producers participating in the ACRE program for the first time 2011 must establish a benchmark farm yield for each covered commodity that is planted. A benchmark farm yield is the Olympic average of the average yield per planted acre for the farm for the 5 most recent crop years. For 2011, the benchmark farm yield is comprised of data from crop years 2006 through 2010. Because of situations where producers did not have control of farms for the preceding 5 years or a specific covered commodity may not have been planted on the farm in 1 or more of the preceding 5 crop years, "plug yields" were established by commodity and county. Producers may use the ACRE plug yield to establish the benchmark farm yield or may report production evidence.

Production must be reported on form FSA-658. Producers will be required to certify, but not submit, the documents to support their production at the time FSA-658 is filed. However, the documentation will be required at a later date to verify the reported production. The production reporting deadline to establish the 2011 benchmark farm yields is July 15, 2011.

DCP/ACRE Fruit and Vegetable Plantings

Producers may plant any crop on Direct and Counter-Cyclical Program or Average Crop Revenue Election contract acres except fruits and vegetables. Exceptions apply to farms and/or producers with an established history of planting fruits and vegetables and home gardens of 2.0 acres or less. Producers without an established farm or producer history will be considered in violation of the terms and conditions of their contract at the time of planting fruits or vegetables, unless the crop is destroyed and no harvest has occurred. Producers should contact their local FSA office regarding their individual situation to ensure they remain in compliance with this provision.

Land Uses for DCP/ACRE Contract Acres

DCP and ACRE contract acreage must be used for an agricultural or related activity and not for nonagricultural, commercial or industrial use. Agricultural uses include sod, farm ponds, wildlife habitat, pasture and trees. Nonagricultural uses include golf courses, commercial development, buildings and permanent structures. Producers must provide timely notification to their local FSA office when land will be devoted to nonagricultural uses as the farm's DCP, ACRE, or CRP contract acres and associated payments may be affected.

NAP Notice of Loss and Appraisals

A notice of loss must be filed within 15 days after the date of the disaster occurrence or the date damage to the specific crop becomes apparent for production losses. A notice of loss due to prevented planting must be filed within 15 days of the final planting date for the specific crop. Producers are required to file a notice of loss for each disaster occurrence that causes damage to or loss of the specific crop. If a notice of loss has been filed, producers of hand harvested crops are required to notify FSA offices 15 calendar days after harvest is complete and before destruction of the crop so an appraisal of remaining production can be completed.

Producers who have reported a NAP crop and choose not to harvest the specific crop acreage must leave intact all eligible acreage and units for which an application for payment will be made until the units are appraised and released. Producers can leave representative samples of crop acreage for inspection and appraisal.

2009 Crop Year Supplemental Revenue (SURE) Assistance Program

Signup for the SURE Program for the 2009 crop year will end on July 29, 2011. SURE provides benefits for farm revenue losses due to natural disasters. A “farm” is eligible when either:

- a portion of the farm is located in a county, or a contiguous county, covered by a qualifying Secretarial disaster declaration; **(Hancock County did not meet this trigger for the 2009 crop year.)**
- an overall loss greater than 50 percent of the actual production on the farm compared to expected production for the farm for that year. **(Hancock County producers must meet this trigger for the 2009 crop year to be eligible).**

For producers to be eligible for SURE, they must have obtained a policy or plan of insurance for all crops through either the Federal Crop Insurance Act or FSA’s Noninsured Crop Disaster Assistance Program (NAP). Producers must suffer a 10 percent production loss due to a natural disaster to at least one crop of economic significance on their farm in order to be eligible for SURE.

Risk Management Purchase Requirement

To be eligible for SURE benefits producers are required to obtain a policy or plan of insurance for each crop, type and IU on the farm for insurable crops and obtain NAP coverage for each noninsurable commodity by crop, type, and IU on the farm. An eligible producer on a farm is **not** required to meet and may elect to waive this requirement for a crop that is **not** economically significant, **or** for which the NAP fee exceeds 10 percent of the value of the NAP coverage. A crop of economic significance is any crop that contributed, or is expected to contribute, 5 percent or more of the total expected value of all crops grown by the producer.

Socially disadvantaged farmers, limited-resource farmers and beginning farmers are exempt from the risk management purchase requirement.

Livestock Indemnity Program

The Livestock Indemnity Program (LIP) provides benefits to livestock producers for livestock deaths in excess of normal mortality rates caused by adverse weather including losses because of floods, blizzards, disease, extreme heat and extreme cold. The livestock must have died within 60 calendar days of the adverse weather event and before October 1, 2011.

Livestock Forage Disaster Program

The Livestock Forage Disaster Program (LFP) will provide compensation to eligible livestock producers that have suffered grazing losses due to qualifying drought conditions on land that is native or improved pastureland with permanent vegetative cover.

Emergency Assistance for Livestock, Honeybees & Farm-Raised Fish Program

Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) provides emergency assistance to eligible producers of livestock, honeybees and farm-raised fish that have losses due to disease, adverse weather or other conditions as determined by the Secretary of Agriculture. The program provides compensation for loss of fish and fish feed; loss of honeybees, bee hives, and bee feed; and loss of livestock, livestock grazing, and livestock feed that are not otherwise covered under the Livestock Indemnity Program or the Livestock Forage Disaster Program.

Tree Assistance Program

The Tree Assistance Program (TAP) provides financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes and vines damaged by natural disasters. Eligible trees, bushes and vines are those from which an annual crop is produced for commercial purposes. Nursery trees include ornamental, fruit, nut and Christmas trees produced for commercial sale.

Apply for assistance for any of the above Supplemental Agricultural Disaster Assistance programs according to the following table:

Program	Final Date to File Notice of Loss	Final Date to File Application for Payment
LIP ELAP	Earlier of 30 Calendar days of the date the loss was apparent or October 31, 2011.	January 30, 2012.
LFP		30 calendar days after the end of the calendar year in which the loss occurred.
TAP		Within 90 calendar days from the later of the disaster event or the date when the loss of trees, bushes or vines is apparent.

NAP/RMA Fall Deadlines

The deadline to purchase Non-insured Crop Disaster Assistance Program (NAP) coverage for 2011 crop year nursery and ornamental nursery crops is September 1, 2011. The deadline for winter wheat, rye, barley and speltz is September 30, 2011. The deadline for apples, asparagus, blueberries, caneberries, cherries, grapes, nectarines, peaches, pears, plums, strawberries, honey, maple sap and forage for hay and pasture is November 20, 2011. The deadline to obtain a Risk Management Agency (RMA) policy or plan of insurance for 2011 crop year wheat is September 30, 2011. NAP administrative fees are \$250 per crop per county not to exceed \$750 per county or \$1875 per producer.

Prevented Planted/Failed Acreage Credit

Producers who are prevented from planting an intended crop by the final planting date can request acreage credit by reporting the acreage on form FSA-578 and completing form CCC-576 for the prevented planted acreage within 15 calendar days after the commodity's final planting date. Late filed prevented planting claims can be accepted if the prevented planting cause can still be verified or if RMA documentation of the prevented planting is available. Once CCC-576 for prevented planting credit is submitted it cannot be withdrawn or revised.

Producers can receive credit for failed acreage if the acreage is reported on form FSA-578 and a request for acreage credit is made on form CCC-576 before disposition of the crop. The acreage must have been timely planted under normal conditions with the intent to harvest but failed as result of a disaster related condition. Late filed failed acreage credit application can be accepted if RMA documentation is available.

Both prevented planted and failed acreage must be verified with crop insurance data, a producer paid field visit, or FSA county committee knowledge if timely filed. Prevented planting and failed acreage deadlines may be of great consequence for producers who want to establish eligibility for potential benefits for SURE/ACRE for the 2011 crop year. Although the acres administered under FSA farm serial numbers and RMA unit numbers may not align, producers who file prevented planting and failed acres with RMA should also consider filing with FSA to prevent acreage discrepancies between the agencies in the event the SURE is administered.

Double Cropped Acres

When two crops that have the capability to be planted and carried to maturity for the intended use on the same acreage within a crop year under normal growing conditions are planted the second crop should be reported to the Farm Service Agency.

Idle DCP/ACRE Contract Acres

Idle DCP and ACRE contract acreage must be protected from erosion and weeds throughout the crop year. Maintenance payment reductions will be assessed if DCP contract acres are not properly maintained. Suggested covers include:

- Annual, biennial or perennial grasses and legumes.
- Volunteer stands other than weeds.
- Crop residue from no-till or minimum till practices.

Crop Reporting Requirements

Producers must report the crops and land uses for all cropland on the farm to be eligible for program benefits under the Direct and Counter-Cyclical Program and Average Crop Revenue Election Program, Supplemental Revenue Assistance Program, Marketing Assistance Loan Program and Loan Deficiency Payment Program. Acreage reports are also required to establish eligibility for the Conservation Reserve Program, Conservation Reserve Enhancement Program, Livestock Forage Program, Noninsured Crop Disaster Assistance Program. The final reporting date for 2011 crop year small grains is June 30, 2011. The final reporting date for all other crops is July 15, 2011. If a crop has NAP coverage it must be reported within 15 calendar days of the onset of harvest.

Marketing Assistance Loans

Marketing assistance loans can be a source of interim financing to help producers meet cash flow needs without selling harvested commodities. Marketing assistance loans are non-recourse as the commodity is pledged as collateral and producers have the option to deliver the grain to Commodity Credit Corporation (CCC) to satisfy the loan at maturity. Producers may also repay the loan at the market assistance loan repayment rate when less than principal plus accrued interest. Loans mature the last day of the ninth month following the month of disbursement. Producers must retain beneficial interest in the commodity and meet other eligibility criteria to obtain a loan. Commodities must be stored in approved farm storage. 2011 Hancock County loan rates are: Wheat - \$2.28, Corn - \$1.94, Soybeans - \$5.14.

Consent to IRS Disclosure

USDA continues to reconcile with IRS producers who have submitted forms CCC-927 and CCC-928 to determine compliance with adjusted gross income provision for 2009 and 2010. FSA county offices have not been informed how long the reconciliation process will continue.

Participants that choose not to submit a completed CCC-927, or CCC-928, as applicable, will be determined noncompliant with AGI limitations for the 2009 and 2010 crop, program, and fiscal years. Failure to provide the written consent may require refund of applicable payments received from FSA and NRCS for the years 2009 and 2010.

Farm Reconstitution Deadline

A reconstitution is the combination or division of farm, tract, and/or crop records that are administered under a FSA farm serial number due to a transaction that transfers the interest in land. The final date to request a reconstitution of a farm with base acres is August 1, 2011. When a farm is enrolled in DCP or ACRE all payments for the parent farm for the current fiscal year must be refunded before the reconstitution can be approved and processed. Parent farms having a valid CCC-509 ACRE cannot be combined with farms not having a valid CCC-509 ACRE.

DCP/ACRE Succession-in-Interest

A transfer or change in interest, sale or change in shares is the basis for a successor-in-interest contract. Participants must inform the FSA office of such changes by September 30, 2011. August 1, 2011 is the deadline if a reconstitution is required.

2011 COC Election Process

The Hancock County FSA Committee (COC) is seeking nominations of individuals to include on the upcoming COC election ballot. To ensure that individuals within minority, female, and other potentially underrepresented groups are fairly considered for representation on the County Committee, the Hancock County Farm Service Agency Committee is encouraging nominations of individuals within these groups as candidates for the county committee in the upcoming election. Further, the County Committee encourages females and others to notify the FSA office if land is under joint ownership and FSA records do not reflect all joint owners. This will ensure that voting lists and program participation statistics have an accurate representation of females, minorities, and others.

The COC election will be conducted in local administrative area number 1 this election year. Nominees must have an interest as an owner, operator, or tenant of a farm located in Amanda, Delaware, Jackson, Madison, Orange and Van-Buren Townships. Eligible voters in these townships may nominate themselves or any other eligible individual as a candidate.

Following the nomination process, ballots will be mailed by a vendor selected by USDA on or near November 4, 2011 and are to be returned or postmarked by December 5, 2011. In the past, less than 20 percent of the eligible voters that were provided a COC election ballot actually selected a candidate and returned the ballot. On the average USDA sends out approximately 2 million ballots to eligible voters. In an effort to increase Hancock County's election statistics, the Hancock County FSA Committee strongly encourages all eligible voters to select a candidate and return the ballot by the December 6th deadline.

Hancock County FSA office personnel will be available to answer questions and explain the election process during an informational meeting to be held in the Hancock County FSA Office on July 12, 2011 at 10:00 a.m.

Reenrollment of Expired CRP Acres

Some Conservation Reserve Program contracts will expire September 30, 2011. Affected participants have been notified of the opportunity to reenroll the expiring acres under a new contract to begin October 1, 2011. Producers who are interested in reenrollment should initiate the offer as soon as possible as the necessary eligibility determinations and conservation plans must be completed by September 28, 2011 in order for the contract to begin October 1, 2011.

CRP Practice Completion

Producers who have completed planned conservation practices for the Conservation Reserve Program are reminded to submit invoices and supporting documentation to their local FSA office. This information is needed to process cost-share and practice incentive payments, if applicable. Due to the prolonged period of excess moisture this past spring some producers may not have been able to complete seeding practices. Affected producers should visit their local FSA office for guidance as practices must be completed within 12 months of the contract's effective date.

CRP Mid-Contract Management

All CRP participants with contracts effective beginning with signup 26 are required to perform at least one management activity as part of their approved conservation plan. Management activities are based on site specific recommendations and may include prescribed mowing or burning, inter-seeding or light disking and must be completed by the established practice expiration date.

Producers who were unable to complete the required activity by the practice expiration date should contact the FSA Office for further guidance.

Loans Available to Socially Disadvantaged Farmers and Beginning Farmers

FSA has a special loan program to assist socially disadvantaged and beginning farmers in purchasing a farm. A socially disadvantaged farmer or rancher for farm loan program purposes is a farmer or rancher who is a member of a group whose members have been subject to racial or ethnic prejudice because of their identity as members of a group without regard to their individual qualities. Groups include American Indians or Alaskan Natives, Asians or Asian Americans, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, and Hispanics. A beginning farmer or rancher is an individual or entity who has not operated a farm or ranch for more than 10 years and substantially participates in the operation.

The applicant must make a cash down payment of at least 5 percent of the purchase price to qualify. The maximum loan amount is the lesser of \$225,000 or 45 percent of the lesser of the following:

- the purchase price of the farm or ranch to be acquired.
- the appraised value of the farm or ranch to be acquired.

The term of the loan is 20 years. The interest rate is currently 1.5 percent. The remaining balance may be obtained from a commercial lender or private party. FSA can provide up to a 95 percent guarantee if financing is obtained from a commercial lender. Participating lenders do not have to pay a guarantee fee. Financing from participating lenders must have an amortization period of at least 30 years and cannot have a balloon payment due within the first 20 years of the loan.

Rural Youth Loans

The Farm Service Agency makes loans to rural youth to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan, and provide youth with practical business and educational experience. The maximum loan amount is \$5,000.

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