



# South Carolina State FSA Newsletter



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**W. Riley Odum**

## Acting State Executive Director's Comments

The end of the 2009 fiscal year has come (September) and the beginning of the 2010 fiscal year is here (October). During this time October was a very important and busy time in FSA County Offices around the state. Our dedicated employees were busy finalizing the 2009 DCP Final Direct payments for the many farmers participating in the Direct and Counter Cyclical Payment program. A Counter Cyclical Payment for 2008 cotton was also issued in October. These payments in fiscal year 2008 amounted to \$29,827,615 for farmers state wide.

FSA is now ready to enroll these same farms in the 2010 DCP program by farm producers visiting their local FSA office and signing a 2010 DCP contract. Please remember if your farming operation has changed (picked up new land, added new members or changing shares in a farming organization, or changed the type of farming organization) please notify the office personnel when you visit. DCP sign-up will end **June 1, 2010**.

Also in October, the annual rental payments for the Conservation Reserve program were issued for 2009. These payments in fiscal year 2008 amounted to \$7,605,998 for landowners state wide.

From the Team of dedicated FSA employees serving you from around the state, we wish you the best and a most productive year. We look forward to serving you in 2010.

For more information concerning FSA programs please, visit your local FSA County Office or log on to our web site at <http://www.fsa.usda.gov>

## Supplemental Revenue Assistance Program (SURE)

The signup for the Supplemental Revenue Assistance Program (SURE) is expected to begin in early to mid November. At this time an exact signup date has not been established due to the fact that the Federal regulations have not been published. The SURE program is one of the five standing disaster programs established as part of the 2008 Farm Bill. The SURE program replaced the adhoc Crop Disaster Programs. The SURE program requires a Secretarial Disaster Designation before the program can be implemented. For 2008, every county in South Carolina is eligible for the SURE program. The program will compensate producers for 2008 crop losses due to adverse weather conditions. Please contact your local county FSA office for more information.

## Conservation Reserve Program

Through the Conservation Reserve Program, USDA is serious about restoring and enhancing habitat for wildlife.

Practices available now are:

- **Restoration of longleaf pine plantations** that provide habitat for numerous species of plants and animals. Land must have 4 out of 6 year cropping history in years 1996 through 2001 and be longleaf suitable soils. Other eligibility requirements apply.
- **Establishment of bird buffers** that provide habitat for the bob-white quail and numerous other bird species. The bird buffer strips established under CCRP have been proven to increase quail populations in the State. Land must have 4 out of 6 year cropping history in years 1996 through 2001. Other eligibility requirements apply.
- **Establishment of riparian buffers** on marginal pastureland that protect water quality for all animals, including humans. This practice establishes a strip of trees next to an eligible permanent water body used for livestock drinking water. The livestock are fenced out of the protected water body and cost-share assistance and other lucrative benefits are provided to install wells as an alternate water source. Livestock producers that have utilized this practice in the past have stated that providing reliable clean well water to their livestock has greatly improved herd health.
- **Thinning CRP Pines** Producers may thin CRP pines without an annual rental payment reduction. The thinning must be done in accordance with State Specifications that provide enhanced wildlife habitat. Burns are required in conjunction with the thinning. Cost-share assistance is available to establish pollinator/wildlife habitat on logging roads and decks.

## Conservation Reserve Program Reminders

- ✓ Producers are required to annually certify CRP acreage by July 15 of each year. Failure to certify may result in contract termination.
- ✓ Pine straw cannot be harvested from CRP acreage.
- ✓ Clear-cutting CRP trees is a contract violation. If your CRP trees are damaged by root-rot, pine beetles or other disasters, immediately notify FSA.
- ✓ Thinning of CRP pines must be approved by the County Committee prior to thinning and must be thinned according to State Specifications.

- ✓ If CRP land is sold, or if there is a death of a CRP participant, the new owner or estate representative must assume the CRP contract within 60 days or the contract will be terminated. If you are considering selling your CRP land, contact the FSA office so that they can advise you of the penalties that will apply if the new owners do not assume the contract.
- ✓ Management and maintenance activities are prescribed in the Conservation Plan and must be completed outside of the primary nesting season. The primary nesting season is April 1 through September 1. CRP contracts will be considered in non-compliance if required management and maintenance activities are not performed or performed during the primary nesting season. Carefully review and follow your conservation plan.

### **Livestock Forage Program**

Livestock producers with 2008 grazing losses due to drought have until December 10, 2009 to request assistance under the Livestock Forage Program. Some eligibility requirements are:

- The County where the grazing losses occurred must have been, according to the US Drought Monitor, in D2 for 8 consecutive weeks during the grazing period, D3 for 1 week during the grazing period, or D4 one week during the grazing period.
- The grazing land must have been insured.

### **Livestock Indemnity Program**

LIP will compensate producers for eligible livestock death losses in excess of normal mortality that occur due to adverse weather. Pleasure livestock, pets, and livestock that are not used as part of a farming operation are not eligible. Contract growers must provide a copy of their grower contract. For eligible livestock losses, a notice of loss must be filed within 30 calendar days of when the livestock loss is apparent, and an application for payment no later than 30 calendar days after the end of the calendar year in which the loss of livestock occurred.

Inventory documentation must be provided when the first LIP application is filed during the calendar year. Producers must provide documentation of livestock deaths by one of these means:

- Verifiable documentation.
- Producer reliable records in conjunction with verifiable beginning and ending inventory records.
- Third party certification. A completed FSA-926 form is required for third party certifications.

In the event of a disaster resulting in livestock losses, livestock producers should document normal mortality losses during the year. Dated photographs are a good means of documentation.

### **Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish (ELAP)**

The purpose of ELAP is to provide 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, that are NOT covered under LIP, LFP, or SURE. Eligible losses include feed losses, physical losses and additional costs incurred in providing feed to eligible livestock.

- ✓ Producers with eligible losses during calendar year 2008 must provide a notice of loss and application for payment no later than December 10, 2009.
- ✓ Producers who suffered eligible losses during January 1, 2009 through Sept. 13, 2009, shall provide a notice of loss no later than December 10, 2009 and an application for payment no later than January 30, 2010.
- ✓ Producers who suffer losses September 14, 2009 through December 31, 2009, shall file a notice of loss within 30 days of when the loss is apparent to the participant, but no later than January 30, 2010. An application for payment shall be filed no later than January 30, 2010.

### **Biomass Crop Assistance Program (BCAP)**

Congratulations to the following South Carolina facilities that have been approved for BCAP:

- ✓ Norbord, Joanna South Carolina
- ✓ Roseburg Forest Product, St. Stevens South Carolina
- ✓ KapStone Charleston Kraft, LLC, North Charleston South Carolina
- ✓ American Capital Resources Company, St. Helena Island South Carolina
- ✓ Smurfit-Stone Container Enterprises, Florence South Carolina
- ✓ International Paper, Georgetown South Carolina
- ✓ International Paper, Eastover South Carolina

BCAP, initially introduced as S. 36 by Senators John Thune (R-SD) and Ben Nelson (D-NE) and spearheaded by them in the 2008 Farm Bill, provides per acre payments for the production of energy dedicated crops and a per-ton payment for renewable biomass delivered to an approved biomass facilities.

The second component of BCAP, is targeted to be implemented by FSA in the first quarter of 2010, which will provide farmers in approved project areas the opportunity to enroll eligible land into BCAP for the purpose of growing energy dedicated biomass crops, and receive up to 75% cost-share for establishment costs as well as annual payments.



### **NAP Coverage**

The Non-Insured Crop Disaster Assistance Program (NAP) was designed to reduce financial losses that occur when natural disasters cause a catastrophic loss of production or prevented planting of an eligible crop by providing coverage equivalent to catastrophic (CAT) insurance. Statute limits NAP to each commercial crop or agricultural commodity, except livestock, for which CAT is not available. The application deadline date for

the 2010 NAP coverage for alfalfa, apples, blackberries, cranberries, blueberries, grapes, **all perennial grasses for hay or grazing**, honey, kiwifruit, lespedeza, nectarines, peaches, pears, pecans, plums and figs is **November 20, 2009**. For artichokes, asparagus, basil, beets, broccoli, brussel sprouts, cabbage, carrots, cauliflower, all greens, kohlrabi, lettuce, green onions, English or garden peas, potatoes, radishes, rutabagas, turnips, and leeks the deadline is **December 15, 2009**. Please check with your local County Office for specific crop dates. Producers who already have coverage on 2009 NAP crops may choose to continue coverage on the same crop or crops for 2010, if the applicable service fee is submitted by the application closing date. A new CCC-471, application for coverage is not required to be signed when applying for continuous coverage of the same crop or crops. Producers who choose to add a new crop(s) or delete a crop(s) from previous year's coverage or changing crop shares must file a new CCC-471 with signatures and pay the applicable service fee. Producers with NAP coverage must remember to complete the following to qualify for benefits:

- Timely file acreage reports and keep track of harvested production using acceptable methods. For example, bale weights or other means of determining quantities of hay are required.
- File a "Notice of Loss" within 15 days of when a loss is apparent, due to drought, hail, etc.

For more information on NAP coverage, please contact your local Farm Service Agency office.

**FLP News**

**Important Dates to Remember**

**January 11, 2010** - Application deadline for Anderson and Oconee Counties to apply for FSA emergency physical loss loan assistance due to a GA disaster declaration for losses caused by a severe snowstorm that occurred on March 1, 2009.

**January 21, 2010** - Application deadline for Oconee County to apply for FSA emergency physical loss loan assistance due to a GA disaster declaration for losses caused by high winds and tornadoes that occurred during the period of February 18, through April 10, 2009.

**March 22, 2010** - Application deadline for Hampton and Jasper Counties to apply for FSA emergency loan assistance due to a GA disaster declaration for losses caused by excessive rainfall, flash flooding, severe wind, tornadoes and lightning that occurred from March 26, 2009, and continuing.

**May 25, 2010** - Application deadline for Oconee County to apply for FSA emergency loan assistance due to a GA disaster declaration for losses caused by severe storms and flooding that occurred from September 18, 2009 through October 8, 2009.

**Beginning and Limited Resource Farmers & Ranchers**

FSA has a program to assist beginning farmers and or members of socially disadvantaged groups to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed

loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more that 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county's average size.

Each member of an entity must meet the eligibility requirements. Loan approval is not guaranteed.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit [www.fsa.usda.gov](http://www.fsa.usda.gov).

**Rural Youth Loans**

The Farm Service Agency (FSA) makes operating loans to individual rural youths age 10 through 20 to establish and operate income producing projects. These projects must be of modest size and be initiated, developed, carried out by rural youths participating in 4-H Clubs, FFA, or a similar organization or with a vocational teacher or county extension agent. The project must be an organized and supervised program of work. It must be planned and operated with the assistance of the organization advisor, produce sufficient income to repay the loan, and provide the youth with practical business and educational experience. Contact your local FSA office for more details.

**Direct and Guaranteed Loans**

South Carolina's 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 available now.

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. Loan funds can be made available. Producers are encouraged to apply early so that a loan can be processed and funded in a timely manner.

Most of our loan programs have special funding available for minority, female and beginning farmers.

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

**Increase in Guaranteed Loan Dollar Limit**

On October 1, 2009, the loan limit for FSA's Guaranteed Loan Program increased to \$1,112,000.

**OCTOBER INTEREST RATES**

Farm Operating	3.125%
Farm Operating – Limited Resource	5.000%
Farm Ownership	5.000%
Farm Ownership – Limited Resource	5.000%
Farm Ownership – Beginning Farmer Down Payment	1.500%
Emergency – Actual Loss	3.750%

**2009 Marketing Assistance Loan Rates Are:**

Barley	Corn	Grain Sorghum	Oats	Wheat	Soybeans
\$1.67	\$2.13	\$3.68	\$1.29	\$1.96	\$5.04-\$5.09-\$5.12 Varies by County. All rates per bu. Except GS-cwt Note: Charleston \$5.21

**Dates to Remember**

November 6	County Committee Ballots Mailed
November 11	Veterans Day Holiday
November 26	Thanksgiving Day Holiday
December 25	Christmas Holiday
January 1	New Year's Day Holiday
January 18	Martin Luther King Holiday
February 15	Washington's Birthday Holiday



**YOUR VOTE COUNTS!**

**County Committee Elections**

Be watching your mailbox for your official county office committee election ballot starting early in November. Ballots will be mailed to all eligible voters starting on November 6, 2009. If, for some reason, you don't receive a ballot, feel free to notify the county FSA office. Completed and signed ballots are due back in the county office by the close of business on December 7, 2009.

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To file a complaint of discrimination write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider, employer, and lender.

The SC State FSA Newsletter is published and distributed by the SC State FSA Office at 1927 Thurmond Mall, Suite 100, Columbia, SC 29201-2375. The phone number is 803-806-3830.