



## South Carolina State FSA Office

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Laurie C. Lawson,  
State Executive Director

1927 Thurmond Mall,  
Suite 100  
Columbia, SC, 29201-2375

(803) 806-3820 phone  
(803) 806-3839 fax  
www.fsa.usda.gov/sc

### Hours

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

### State Staff

Riley Odum, Chief,  
Production  
Adjustment and Price  
Support

Kenneth McCaskill,  
Chief,  
Compliance and  
Conservation

Frank Sligh, Chief  
Farm Loan Programs

Toni Turner,  
Administrative Officer

### Attention

Due to budget constraints, this newsletter is mailed to one recipient per address. Please share with others concerned in your household.



Laurie C. Lawson, State Executive Director,  
South Carolina Farm Service Agency

South Carolina has had a hot and dry summer. However, we still have much to be thankful for. Prices for what we have to sell are generally higher than at this time last year and recently we have begun to get a small amount of much needed rainfall. Maybe we can soon finish our fall harvest and get our fall seeded crops planted.

Pay particular attention to 'Dates to Remember' located on this front page of our newsletters.

South Carolina FSA stands ready to serve you in a friendly and efficient way.

### FSA Is Moving to Optional Electronic Information

The USDA Farm Service Agency offices are moving toward an optional "paperless" operation, according to State Executive Director Laurie C. Lawson.

Producers are asked to enroll in the new GovDelivery system which will provide notices, newsletters and reminders as an electronic option versus paper delivery; however, this process does not eliminate the mailing of newsletters. County Committee ballots will also continue to be mailed to all eligible producers.

Lawson said, "FSA, like many other organizations, is trying to work smarter and be more efficient. Moving to optional electronic notifications will help us conserve resources yet be in communication with our producers."

Interested producers may subscribe to receive e-mail updates by going to the USDA GovDelivery sign-up page found at the following web address:

<https://public.govdelivery.com/accounts/USDAOCS/subscriber/new>

### 2012 DCP/ACRE Signup Delayed

2012 Direct and Counter-Cyclical Program (DCP) enrollment will not begin until January 23, 2012 and will end June 1, 2012. Here are some IMPORTANT REMINDERS:

- All producers planting on **DCP base** acres must be identified on the DCP/ACRE contract and receive a proportionate share of DCP/ACRE payment for the farm.
- Changes on the farm after enrolling June 1<sup>st</sup> in DCP/ACRE **must** be reported to your local FSA office such as:
  - Ownership changes
  - Producer changes (Individuals and Entities)
  - Change in crop shares arrangements
  - **Note:** Changes cannot be made after September 30<sup>th</sup>, 2012.

### Dates to Remember

November 4, 2011	COC Election Ballots are mailed to eligible voters.
November 14, 2011	Supplemental Revenue Assistance Program (SURE) Signup Starting Date for 2010 Losses.
November 20, 2011	NAP Application Closing Date for alfalfa, apples, blackberries, caneberries, blueberries, grapes, <b>all perennial grasses for hay or grazing</b> , honey, kiwi fruit, lespedeza, nectarines, peaches, pears, pecans, plums and figs.
December 5, 2011	Deadline to return completed COC Election ballots to the FSA County Office.
December 15, 2011	NAP Application Closing Date for artichokes, asparagus, basil, beets, broccoli, brussel sprouts, cabbage, carrots, cauliflower, all greens, kohlrabi, lettuce, green onions, all peas including english and field varieties, potatoes, radishes, rutabagas, turnips, and leeks.
January 2, 2012	Newly elected county committee members take office.
January 23, 2012	DCP Enrollment Begins.
January 30, 2012	Closing Date for Livestock Forage Program. Contact your county FSA Office for more details.
April 1 to September 1, 2012	CRP Primary Nesting Season. No management or maintenance activities can be performed.
June 1, 2012	Final Date to enroll in DCP.



### OCTOBER 2011 INTEREST RATES

Farm Operating	1.750%
Farm Ownership	4.250%
Farm Ownership – Beginning Farmer Down Payment	1.500%
Emergency – Actual Loss	3.750%

### Land Changes



If you have bought, sold or are renting different land from the previous year, make sure you report the changes to the Farm Service Agency as soon as possible after the change occurs. For farm ownership changes you will need to provide a recorded deed. Land in your farming operation may contain multiple ownership farms that you rent each year. If you no longer rent a farm that you did in the prior year you will need to report the change in your farming operation which may require a reconstitution to remove this farm from your operation. Failure to remove land you no longer rent could affect your DCP/ACRE contract eligibility as well as other FSA program activities. Please review your land leases to determine farmland you have leased as well as farmland you have given up from the previous year and report these changes to your local FSA county office. It is up to you to review with FSA land changes before signing program contracts. Signing program contracts containing farmland you do not control could result in contract being terminated without benefits. Failure to maintain accurate records with FSA on all land you have an interest in can lead to problems with Crop Insurance if FSA farm numbers and acreage reports do not agree with Crop Insurance records.

### Farm Operators Subleasing Cropland

All producers planting on **DCP base** acres must be identified on the DCP/ACRE contract and receive a proportionate share of DCP/ACRE payment for the farm. Producers who enroll a farm in DCP/ACRE by June 1, 2012 and at a later date sublease cropland to another producer that is considered to have control of DCP **base** acres, must report the addition of that producer for DCP/ACRE contract revision no later than September 30, 2012. Failure to report the new producer and make a DCP/ACRE contract revision is considered a contract violation which will result in DCP/ACRE contract termination and loss of payment for **all** producers on the farm. To avoid DCP/ACRE contract violations, such changes in producers on the farm after enrolling in DCP/ACRE **must** be reported to your local FSA office to determine if new producer has control of base acres. Shares on the DCP contract must match the shares on the acreage report for the farm. Do not wait until the last minute to revise DCP contract because all necessary signatures must be obtained no later than September 30, 2012. Contracts may also be terminated upon written agreement of all producers receiving payment under the contract no later than September 30, 2012.

### Farm Reconstitutions

In program terminology, farms are *constituted* to group all tracts having the same owner and the same operator under one farm serial number. When changes in ownership or operation take place, a farm *reconstitution* is necessary. The reconstitution is the process of combining or dividing farms or tracts of land based in the farming operation. 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. This method allows seller or buyer an opportunity to retain bases on the farm.
- **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.

If payments have already been issued on a particular farm, the reconstitution will be effective for the next year, unless the payments are refunded. Request for farm reconstitutions may be filed through August 1.

### Banking Changes?



If you have changed banks and have not notified FSA, your payment could be delayed. Payments are electronically transferred into your bank account. If FSA is not aware of changes to your account and routing numbers, payments will not be received. In order to make timely payments, you need to notify the FSA office if you close your account or if another financial institution purchases your bank. It is important that any changes in 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.

### Average Crop Revenue Election (ACRE)

The ACRE program provides participating producers a revenue guarantee each year based on market prices and average yields for the respective commodities. The guarantee is based on State-level planted yields and national market prices, but payments are dependent upon State- and farm-level planted yields and national market prices.

Producers can enroll in ACRE any year during crop years 2010-12. A producer must enroll all covered commodities (wheat, corn, grain sorghum, barley, oats, upland cotton, rice, soybeans, other oilseeds, peanuts, dry peas, lentils, small chickpeas, and large chickpeas) for a participating farm. Upon enrollment, the farm is enrolled in ACRE for the remainder of the 2008 Farm Act, which ends with crop year 2012. After enrollment, a farm is no longer eligible to receive Counter-Cyclical Program Payments. Also, as a condition for the farm's enrollment in ACRE, direct payments for the farm are based on 80 percent of the legislated direct payment rate, and marketing loan benefits are based on 70 percent of the legislated national marketing loan rate.

### Hispanic and Women Farmers

A process to resolve the claims of Hispanic and women farmers and ranchers who believe they were discriminated against when seeking USDA farm loans has been established.

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.

For additional information on this and other settlement issues contact:

- **Hispanic and Women Farmer Claims Process, please visit:** [www.farmerclaims.gov](http://www.farmerclaims.gov) or call 1-888-508-4429
- **Pigford – The Black Farmers Discrimination Litigation, please visit:** [www.blackfarmcase.com](http://www.blackfarmcase.com) or call 1-866-950-5547
- **Keepseagle - The Native American Farmers Class Action Settlement, please visit:** [www.IndianFarmClass.com](http://www.IndianFarmClass.com) or call 1-888-233-5506

### Livestock Forage Program



Based on the US Drought Monitor, livestock producers in Abbeville, Aiken, Allendale, Anderson, Bamberg, Barnwell, Beaufort, Berkeley, Charleston, Colleton, Dorchester, Edgefield, Georgetown, Greenville, Greenwood, Hampton, Horry, Jasper, Laurens, Marion, McCormick, Newberry, Orangeburg, Oconee, Pickens, Saluda, Spartanburg, and Union Counties that graze native grasses, improved grasses and forage

sorghum are potentially eligible for Livestock Forage Disaster Program (LFP)

Applications for LFP must be made no later than 30 days after the end of the calendar year in which the disaster occurred. **No late filed applications are eligible.** For producers to be eligible for assistance under LFP, producers must, for the grazing land incurring losses because of the disaster have either insurance for the forage crop under the Federal Crop Insurance Act (FCIA), or Noninsured Crop Disaster Assistance Program (NAP). This requirement is waived for producers determined to be Socially Disadvantaged (SDA), limited resource, or beginning farmer or rancher.

### 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 and is produced for food or fiber.

The application deadline to apply for many 2012 NAP crops is soon approaching.

For alfalfa, apples, blackberries, caneberrys, blueberries, grapes, **all perennial grasses for hay or grazing**, honey, kiwifruit, lespedeza, nectarines, peaches, pears, pecans, plums and figs, the deadline date is **November 20, 2011.**

For artichokes, asparagus, basil, beets, broccoli, brussel sprouts, cabbage, carrots, cauliflower, all greens, kohlrabi, lettuce, green onions, all peas including english and field varieties, potatoes, radishes, rutabagas, turnips, and leeks the deadline is **December 15, 2011.**

Producers who already have coverage on 2012 NAP crops may choose to continue coverage on the same crop or crops for 2011, 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.

NAP coverage for 2012 costs \$250 per crop, but not more than \$750 per producer per county, or not more than \$1875 total per producer for all counties. . Service fees may be waived for eligible limited resource producers.

Producers with NAP coverage must remember to complete the following to qualify for benefits:

- Timely file acreage reports.

- Maintain production records and report production to the county office for APH purposes.
- File a "Notice of Loss" within 15 days of when a loss is apparent, due to drought, hail, etc.

### CRP Maintenance and Management Activities

All Conservation Reserve Program contracts have required maintenance activities such as disking firebreaks. Contracts that were developed to enhance wildlife habitat also have required management activities such as burning longleaf pines. CRP participants shall carefully review their CRP conservation plan to determine what maintenance or management activities are required and when. No maintenance or management activities can be performed during the primary nesting season which is April 1 to September 1. Producers needing to perform management or maintenance requirements need to begin making plans to do so now. There is a short window of opportunity between **September 1, 2011 through April 1, 2012**. Failure to complete required maintenance or management activities is a contract violation that could result in the termination of the CRP contract.

### Clear-Cutting CRP

Clear-cutting CRP trees for any reason is a contract violation. If your CRP trees are damaged by root-rot, pine beetles or other disasters you should immediately notify the FSA office.

### Transfer of Ownership - CRP Land

If a CRP participant sells the CRP land, or 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 land that contains a CRP contract, 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.

### Conservation Reserve Program

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

Some practices available now under the Continuous CRP signup 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 2002-2007 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 2002 through 2007. 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.



### Supplemental Revenue Assistance Program (SURE)

The signup for 2010 losses begins **November 14, 2011** and will end **June 1, 2012**.

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters that incurred in the crop year 2010. SURE is available to eligible producers on:

- farms in counties with Secretarial disaster declarations, including contiguous counties, that have incurred crop production or quality losses, or both, and includes all crops grown by a producer nationwide, **except** grazed crops.
- any farm in which, for the crop year, the actual production on the farm because of disaster-related conditions is 50 percent or less than normal production of the farm.

To be eligible for SURE payments, a producer was required to have crop insurance on all crops in all counties or, if crop insurance is not available, to participate in the Non-Insured Assistance Program (NAP) except for grazed acreage. However, crop insurance or NAP coverage is not required for crops that are not of economic significance or those where the administrative fee required to buy NAP coverage exceeds 10% of the value of the coverage.

Eligible farmers and ranchers who meet the definition of Socially Disadvantaged, Limited Resource, or Beginning Farmer or Rancher are exempt from the risk management purchase requirement.

### Wetland Compliance

Producers renting or purchasing land that may have a converted wetland status need to check with the county office to learn if there are restrictions. The last thing FSA wants to do is to deny a producer benefits due to wetland noncompliance. The 1985 Farm Bill provides that, unless exempt, persons are ineligible for benefits under certain programs administered by USDA if they: plant an agricultural commodity on wetland that was converted after December 23, 1985 or convert a wetland after November 28, 1990. Following are permitted uses and restrictions of certain wetlands for compliance with Wetland compliance provisions:

- Wetlands can be farmed under natural conditions. However, wetlands cannot be converted.
- Wetlands converted before November 28, 1990, cannot be planted to an agricultural commodity and retain eligibility for benefits.
- Wetlands converted after November 28, 1990, must either be restored to wetland status or mitigated to regain eligibility for program benefits.
- Wetlands that can be farmed under natural conditions cannot be manipulated in any way, unless the Natural Resources Conservation Service determines the work would have a minimal effect on wetland values.
- Wetlands converted before December 23, 1985, can be farmed and maintained.

To avoid the possible loss of all USDA benefits it is strongly recommended that you check with NRCS before starting work in your fields or woodlands to convert a wetland to make it possible to plant a crop.

### Importance of Accurate and Timely Acreage Reports

Filing an accurate and timely acreage report for all crops and land uses, including failed acreage, can prevent loss of program benefits. In stressing timeliness of making an acreage report, it is important for producers to know that if a crop is not reported by the established state reporting date, or the required NAP reporting date (if applicable), a late-filing fee will be assessed. The crop can be considered timely reported as long as there is physical evidence of the crop still remaining in the field.

### Prevented Planted Provisions

Producers should report prevented planted acreage to their local FSA Office when the crop acreage is not planted due to a natural disaster. To be considered timely, producers who request prevented planting acreage credit must report the acreage within 15 calendar days after the final planting date.

### Farm Storage Facility Loan Program



The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The new maximum principal amount of a loan through FSFL is \$500,000. Participants are now required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. New loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department.

Payments are available in the form of a partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount.

Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin.

For more information about FSFL please visit your FSA county office or [www.fsa.usda.gov](http://www.fsa.usda.gov).

**Office Closures**

November 11, 2011	Offices Closed – Veterans Day
November 24, 2011	Offices Closed – Thanksgiving
December 26, 2010	Offices Closed – Christmas Holiday
January 2, 2012	Offices Closed - New Year’s Holiday
January 16, 2012	Offices Closed - Birthday of Dr. Martin Luther King, Jr.
February 20, 2012	Offices Closed – Washington’s Birthday

**Farm Loan Program Limits**

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 renew your loan.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans have a maximum limit of \$1,214,000 starting on Oct. 1, 2011. This makes the maximum combination of direct and guaranteed loan indebtedness \$1,514,000.

The one-time loan origination fee charged on FSA guaranteed farm ownership and operating loans has increased from 1 percent to 1.5 percent of the guaranteed portion of the loan, for loans obligated after Oct. 1, 2011.

To find out more about FSA loan programs, please contact your local FSA office.

**Marketing Assistance Loans**

A Marketing Assistance Loan (MAL) is available for producers who share in the risk of producing a crop. To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of the date the loan is repaid or CCC takes title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if the producer regains beneficial interest.

Commodity loan eligibility also requires compliance with conservation and wetland protection requirements; beneficial interest requirements, acreage

reporting and ensuring that the commodity meets Commodity Credit Corporation minimum grade and quality standards. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Producers do not have to participate in the Direct and Counter-Cyclical and/or ACRE programs to be eligible for commodity loans.

Violating provisions of a marketing assistance loan may result in liquidated damages, calling the loan and denial of future farm-stored loans.

**County Committee Elections - Your Vote Counts!**



Be watching your mailbox for your official county office committee election ballot starting early next month. Ballots will be mailed to all eligible voters starting on November 4, 2011. If, for some reason, you don’t receive a ballot, feel free to notify your local FSA county office. Reminder postcards will be mailed on November 18, 2011.

Completed and signed ballots must be received in the county office by the close of business, or postmarked, on December 5, 2011.

**Please visit our website at <http://www.fsa.usda.gov/sc>**

The U.S. Department of Agriculture (USDA) prohibits discrimination in all of 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, political beliefs, genetic information, reprisal, or because all or part of an individual’s income is derived from any public assistance program. (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 to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845 6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.

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.