



South Carolina State FSA Office

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Director**

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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 just experienced the warmest January that I can remember. We are also short on rainfall with our rivers, lakes, and ponds at low levels. I still believe that we will have cold, wet weather before spring comes to our great state.

Again, let me ask you to pay particular attention to "Dates to Remember", located on the front page of our newsletter.

FSA is ready to serve you, our producers, in a warm, efficient, and friendly way. You are the reason that we are here and we want to help you in all ways that we can.

Conservation Reserve Program General Signup

Laurie C. Lawson, Farm Service Agency State Executive Director is pleased to announce that a general Conservation Reserve Program (CRP) signup will be held from March 12, 2012 through April 6, 2012. Producers interested in making an offer for this general CRP signup must apply during the signup period. Late filed applications are NOT accepted.

Basic Land Eligibility Requirements:

- The acres offered must be physically and legally capable of being cropped.
- The acres must be cropland that has been planted, or considered planted, to an annual commodity in 4 out of 6 years in years 2002-2007 or land that is currently in CRP that is expiring September 30, 2012. South Carolina has over 35,000 acres expiring from CRP on September 30, 2012. This acreage is eligible to be offered for re-enrollment.
- The offered acres must meet 1 or more of the following categories: (1) erodibility, (2) expiring CRP, (3) Conservation Priority Area. South Carolina has a Wildlife Conservation Priority Area covering the Counties of Darlington and Florence.
- Land under lifespan practice requirements of other programs, such as EQIP, is ineligible to be offered for CRP.

Offers for CRP are extremely competitive and will compete with offers throughout the Nation. Only offers that provide the greatest environmental benefit as determined by the Secretary of Agriculture will be accepted into the program.

For detailed information on the signup contact your local FSA office.

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.

Dates to Remember

February 28, 2012	Deadline for 2012 NAP Coverage.
March 12, 2012	CRP Signup begins.
April 1, 2012	Beginning of Primary Nesting Season (End CRP Maintenance activities).
April 6, 2012	CRP Signup ends.
May 1, 2012	Final disposition date and Acreage Reporting Deadline for Fall Seeded Crops: Wheat, Barley, Oats, Rye, Triticale, Trees, and Fall Seeded Grasses.
May 1, 2012	NAP Application 2013 Closing Date: All nursery plants not covered by FCIC.
May 15, 2012	Acreage Reporting Deadline for Insured Fresh Market Tomatoes (Planted 3/1 – 4/30)
June 1, 2012	End of Signup for 2010 SURE Program
June 1, 2012	Final Date to enroll in DCP.
June 1, 2012	Acreage Reporting Deadline for Spring Planted Fruit and Vegetables, Production Reporting Date for Actual Production History (APH).
July 15, 2012	Acreage Reporting Deadline for: Corn, Cotton, Flue-Cured Tobacco, Grain Sorghum, Peanuts, Soybeans, and all other Land Use; CRP; Orchards; Vineyards; all other NAP crops.
September 1, 2012	End of CRP Primary Nesting Season.



FEBRUARY 2012 INTEREST RATES

Farm Operating	1.375%
Farm Ownership	3.375%
Farm Ownership – Beginning Farmer Down Payment	1.500%
Emergency – Actual Loss	3.750%

Late Filed Report of Acreage

The County Committee may accept a late-filed acreage report as timely filed when all of the following apply:

- the operator pays the cost of a farm visit and the costs of verification and determination of crop acreage
- physical existence of the late-filed crop or crop residue for the crop year being reported exists, if applicable
- the crop's use can be verified
- the crop's acreage for the specific crop year can be determined.

Measurement service is available to owners, operators, or other tenants. Contact your local FSA Office for rates and additional information.

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.

Acreage reports shall be accepted from 1 of the following:

- farm operator
- farm owner
- person authorized by power of attorney
- Tenants and share-croppers, but only for crop acreage for which the person has a share. All cropland on the farm must be certified for applicable programs.

Exception: For CRP, acreage reports shall be accepted from 1 of the following:

- owner on CRP-1
- operator on CRP-1
- Persons authorized by power of attorney.

NAP Production Reporting

Producers enrolled in the Noninsured Crop Disaster Assistance Program (NAP) are required to provide production records for individual crops each year to establish an approved NAP yield. If this is the first year you participated in NAP, you can provide production and acreage information for this and from prior years to establish your yield. If you participated in NAP in previous years, you must report your production and acreage on a yearly basis to keep your yield up-to-date.

It is recommended producers submit their production records as soon as possible after harvest. All production records must be submitted by the subsequent crop year's final acreage reporting date.

2012 NAP Coverage Deadlines



Producers in need of insurance coverage for Spring and Fall annually planted crops under the Noninsured Crop Disaster Assistance Program (NAP) have until **February 28th** to apply for the following crops for which the catastrophic level of Crop Insurance is not available:

Beans, Cantaloupes, Cucumbers, Eggplant, Forage Sorghum, Grain Sorghum, Honeydews, Okra, Peanuts, Field Peas, Peppers, Pumpkins, Squash, Sunflowers, Sweet Potatoes, Tomatoes, and Watermelons.

To qualify, a producer must share in the risk of producing an eligible crop.

The service fee is \$250 per crop per county or \$750 per producer per county. The fee cannot exceed a total of \$1875 per producer for individuals with farming interests in multiple counties. Limited resource producers may request a waiver for service fees.

Producers who already had coverage on 2011 NAP crops may choose to continue coverage on the same crop or crops for 2012, 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 the previous year's coverage or change crop shares must file a new CCC-471 with signatures and pay the applicable service fee.

2010 SURE

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 Noninsured Crop Disaster 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 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.

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

Wetlands 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 a wetland that was converted after December 23, 1985 or convert a wetland after November 28, 1990. The 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 the Natural Resource Conservation Service before starting work in your fields or woodlands to convert a wetland to it make possible to plant a crop.

Conservation Reserve Program Reminders

- Thinning of CRP pines **must** be outlined in the forestry management section of the conservation plan approved by the County Committee prior to thinning, and CRP Pines must be thinned according to State Specifications as outlined in the plan. Burns are required in conjunction with the thinning. Cost-share assistance is available to establish pollinator/wildlife habitat on logging roads and decks.
- 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.
- Pine straw cannot be harvested from CRP acreage.
- Producers are required to annually certify CRP acreage by July 15 of each year. Failure to certify may result in contract termination.
- 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 may 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 (except for normal forestry activities) 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 noncompliance if required management and maintenance activities are not performed or performed during the primary nesting season. Carefully review and follow your conservation plan.

Continuous CRP Signup

FSA County Offices are accepting offers under the Continuous Conservation Reserve Program. Some of the practices available are:

- **Restoration of longleaf pine plantations** that provide habitat for numerous species of plants and animals. Land must have 4 out of 6 years cropping history in years 2002 through 2007 and be longleaf suitable soils. Other eligibility requirements apply.
- **Establishment of bird buffers** that provide habitat for the bobwhite 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 years 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.
- **State Acres for Wildlife Enhancement (SAFE)** – Available only in the following Counties: Allendale, Bamberg, Barnwell, Calhoun, Clarendon, Darlington, Dillon, Florence, Lee, Marion, Marlboro, Orangeburg, Sumter and Williamsburg. SAFE acres will be used to establish and maintain native early succession habitat on cropland to benefit Northern bobwhite quail, loggerhead shrike, field sparrow, Eastern meadowlark, Eastern towhee, brown thrasher, painted bunting, indigo bunting, and American woodcock. It will also provide: nesting and brood-rearing habitat for wild turkey, feeding, bedding, and fawning sites for deer, control soil erosion, and enhance water quality. Habitat establishment

will require planting a mixture of three species of native warm season grasses and two species of forbs and managing for natural vegetation diversity. Land must have 4 out of 6 years cropping history in years 2002 through 2007. Other eligibility requirements apply.

- **Wetland Practices** – FSA offers numerous practices intended to restore or enhance wetlands in South Carolina.

Direct and Counter-Cyclical Program Payments for 2009 – 2012

Producers may enroll farms with base acres in DCP by signing CCC-509 no later than June 1, 2012. The DCP program under the 2008 farm bill will end this year. Therefore, all producers will receive a final DCP payment in October. (There will be no advanced payment issued) Producers on a farm are solely responsible for ensuring that enrollment (signature of all producers on base acres) is received by June 1. New producers may be added to the DCP contract after June 1 if all producers sign a succession in interest contract no later than September 30, 2012. No offer or enrollment attempt after September 30th of a contract year will be considered by the County Committee or Sate Committee. Producers are **not** entitled to any sort of decision, relief, or other consideration on any request to enroll after the contract period has passed. Planting restrictions of fruit and vegetables or wild rice (FAV's/WR), other than mug beans and pulse crops, on DCP base acres is prohibited unless one of the following applies: (1) the commodity is in a double-cropping practice with a covered commodity or peanuts in a double cropping region, (2) the farm has a history of planting FAV's/WR, which will result in an acre for acre reduction in payment, (3) the producer has an established history of planting a specific fruit, specific vegetable, or wild rice which will be limited by historical plantings of the FAV/WR, resulting in an acre for acre reduction in payment. Check with your local FSA County Office on planting FAV's/WR.

Farms with 10.0 base acres or less will not be paid DCP unless the farm is owned by an individual that is classified as socially disadvantaged or limited resource farmer or rancher, or jointly owned where 50% of ownership is held by socially disadvantaged or limited resource farmers or ranchers. However, farms that have total base acres of 10.0 acres or less MAY be combined with other DCP base farms to increase the base acres to more than 10.0 acres and earn payments, provided that reconstitution rules are met. Since reconstitutions may be requested through August 1 of the applicable fiscal year and there is a final enrollment date of June 1 for DCP, the farms being combined MUST be enrolled in DCP on or before June 1.

Substantive Change

COC may **not** approve any change in a farming operation, including, but not limited to, establishing a new farming operation containing any person or legal entity that was a member of the previous year's farming operation that will otherwise increase the number of persons or legal entities to which payment limitation is applied for the current year unless a substantive change in the farming operation occurs for the current year. The comparison for substantive change purposes is between the current year's operation and the previous year's operation.

If your farming operation has changed from last year, increased member(s) or decreased member(s), such a change could affect the payments to your operation due to payment limitation. Example: A family farm corporation, LLC, LLP or LP who has a member from the prior year leave the operation and farm on his own as an individual using some of the same land farmed by the operation in the prior year will be ineligible for program payments unless a Substantive Change is met in his new individual farming operation. Likewise, a general partnership or joint venture, eligible for one payment limitation per member, adding a new member to the operation without that new member contributing DCP base acres, land or equipment to the operation, will not be considered eligible for program payment. Reporting this type of information each year is very important and could affect your program payments. Farm plans should be reviewed and updated each year at your local FSA County Office.

Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA.

All individuals who are not U.S. citizens, and have purchased or sold agricultural land in the county are required to report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form (FSA-153) could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

IRS Form 1099-G

Producers annually receive CCC-1099-Gs detailing payments producers have received from the Commodity Credit Corporation. The annual report of program payments on CCC-1099-Gs is a service intended to help our customers report taxable income. It is not intended to replace the producers' responsibilities to report income to IRS.

FSA staff cannot interpret IRS regulations or advise producers about which payments to report on their income tax returns. However, county office staff can review payments for accuracy.

Marketing Assistance Loans

Marketing Assistance Loans, also referred to as Commodity Loans, are available to producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop through the time of application. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if you regain beneficial interest.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans. The two most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification. Maintaining the grain in good condition is very important and a loan requirement. Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases. Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call before you remove any grain under loan.

County Committee Election Results for 2011

LAA1 Elected Unless Otherwise Designated

Election Held

<u>Counties:</u>	<u>Person Elected:</u>
Abbeville/Greenwood/McCormick LAA1	Johnny W Simpson, Jr.
Abbeville/Greenwood/McCormick LAA4	Stanley B Vines
Aiken	Donnie B Wakefield
Allendale	James B Duncan
Anderson	John T Meehan
Bamberg	Debbie S Crider
Barnwell	Wayne Browning
Calhoun/Richland	Mark Ott
Charleston/Berkeley	Helen Fields
Chester/Fairfield	Jefferson H Wilson
Chesterfield	Bobby M Norris, Jr.
Clarendon	Thomas Elam Lee
Colleton	Jerry Breland
Darlington	Mark E White
Dillon	Bryan M Price
Dorchester	Pinckney G Murray
Edgefield	Edgar Lamb
Florence	Anthony Ward
Georgetown	Charles C King
Greenville/Pickens	Bruce D Holcombe
Hampton	Jimmie McMillan
Horry	Johnie F Johnson, Jr.
Jasper/Beaufort	Keith W Smith
Kershaw/Lancaster	Joyce E Heath
Laurens	Sammy L Lyda
Lee	William S McElveen
Lexington	Harold S Davis
Marion	Steven Neal Baxley, Jr.
Marlboro	Ray C Smith, Jr.
Newberry	Lee B Mayer
Oconee	John W Allen, Jr.
Orangeburg	Fletcher M Riley, Jr.
Saluda	Lewis A Longshore
Spartanburg/Cherokee/Union	Loye W Mayfield, Jr.
Sumter	Ellie W Green, Jr.
Williamsburg	Carl L Cantey, Jr.
York	Richard C Harper, Jr.

Office Closures

February 20, 2012	Offices Closed – Washington’s Birthday
May 28, 2012	Offices Closed – Memorial Day
July 4, 2012	Offices Closed – Independence Day
September 3, 2012	Offices Closed - Labor Day

Farm Storage Facility Loans

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. For more information about FSFL please visit your FSA county office or www.fsa.usda.gov.

Land Contract (LC) Guarantee Program

The Farm Service Agency (FSA) makes loans through the Land Contract (LC) Guarantee Program. The LC Guaranteed Loans will be offered to the owner of a farm who wishes to sell real estate through a land contract to a beginning farmer or a farmer who is a member of a socially disadvantaged group.

A land contract is an installment contract between a buyer and a seller for the sale of real property, in which complete ownership of the property is not transferred until all payments under the contract have been made.

Guarantees can be used for financing the purchase of a farm with a purchase price up to \$500,000 on a new land contract. FSA offers two types of guarantees under this program. The seller may request either of the following:

Prompt Payment Guarantee: A guarantee of up to the amount of three amortized annual installments plus the cost of any related real estate taxes and insurance

Standard Guarantee: A guarantee of 90 percent of the outstanding principal balance under the land contract.

To find out if you qualify contact your local FSA office today or see additional information, including a complete list of borrower and seller eligibility criteria and application materials through the FSA website at www.fsa.usda.gov.

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

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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) 806-3820.