



NEWSLETTER



****Producers Alert****

Last Newsletter Issued via US Mail. Please provide email address to your County Office for future Program Updates.

South Carolina State FSA Office

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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.

DCP and ACRE Sign-up

FSA will begin sign-ups for DCP and ACRE for the 2013 crops on Feb. 19, 2013. The DCP sign-up period will end on Aug. 2, 2013; and the ACRE sign-up period will end on 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. Contact the FSA county office for more information, or an appointment to enroll. **REMEMBER: DCP Sign-up ENDS August 2, 2013.**

MILC Contracts Automatically Extended

Dairy producers enrolled in the Milk Income Loss Contract program (MILC) will have their contracts automatically extended through Sept. 30, 2013. There is no need to re-enroll in the program. The MILC program was part of several FSA-related programs that were continued with the extension of the 2008 Farm Bill. Specific information regarding changes to the program will be released soon. The payment rate for September 2012 is approximately \$0.59 per hundredweight. The payment rate for October 2012 marketings is approximately \$0.02 per hundredweight. The payment rate for November 2012 marketings is zero. Before the October MILC payment can be issued, dairy farmers must complete a new Average Adjusted Gross Income (AGI) form for 2013. The new form, CCC-933 Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information, must complete by producers before they can receive payments for a variety of programs administered by FSA and USDA's Natural Resources Conservation Service. Producers may obtain CCC-933 at their local USDA Service Center or online at www.fsa.usda.gov/cc933. Specific detail about AGI may be found here. Dairy operations may select a production start month other than October 2012. Producers who want to select a production start month other than October 2012 must visit their local FSA office between Feb. 1 and Feb. 28, 2013, also known as a relief period.

Supplemental Revenue Assistance Program (SURE)

The sign-up for 2011 losses began **October 22, 2012** and will end of **June 7, 2013**.

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters that incurred in the crop year 2011. 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.

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 Reporting Date Changes for the 2013 Crop Year.

In an effort to simplify acreage reporting requirements between the Farm Service Agency and the Risk Management Agency whom administers Crop insurance program, new acreage reporting dates have been established that will be applicable to both Agencies for crop year 2013. **Late filed fees will not be charged as the new dates are being implemented.**

2013 Final Crop Reporting Dates	
CROPS	REPORTING DATES
All Perennial Grasses intended for Hay, Grazing or SOD, Apiculture, PRF	November 15, 2012
Clams and other Aquaculture	November 30, 2012
Apples, Fall Barley, Blueberries, Fall Oats, Peaches, Rye, Fall Wheat, other Fall-Seeded Small Grains, Orchard Crops, and Vineyards	January 15, 2013
Fresh Market Tomatoes (Planted 3/1-4/30)	May 15, 2013
Corn, Cotton, Flue-Cured Tobacco, Grain Sorghum, Peanuts, Soybeans, CRP, all other NAP crops and all other crops and land uses.	July 15, 2013
Fresh Market Tomatoes (Planted 7/1-7/15)	August 15, 2013

NOTE: For spring and fall planted fruit and vegetable crops not planted by the final reporting date, the acreage must be reported by 15 calendar days after planting is completed.

Conservation Reserve Program (CRP)

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. Some types of required activities include disking firebreaks, disking wildlife strips, and burning longleaf pine acres. Carefully review and follow your conservation plan.

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.

Producers in need of insurance coverage for 2013 Spring and Fall annually planted crops under the Noninsured Crop Assistance Program (NAP) have until **February 28, 2013** to apply for the following crops for which the catastrophic level of insurance is not available.

Beans	Cantaloupes	Cucumbers	Eggplant
Forage Sorghum	Grain Sorghum	Honeydews	Okra
Peanuts	Peppers	Pumpkins	Squash
Sunflowers	Sweet Corn	Sweet Potatoes	Tomatoes
Watermelons			

Producers who already have coverage on 2012 NAP crops may choose to continue coverage on the same crop or crops for 2013, 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 2013 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 by the subsequent year's acreage reporting date.
- File a "Notice of Loss" within 15 days of when a loss is apparent, due to drought, hail, etc.

Hispanic and Women Farmer and Rancher Claims - Ends March 25, 2013

USDA has announced that Hispanic and women farmers and ranchers who allege discrimination by the USDA in past decades can file claims until March 25, 2013.

The process offers a voluntary alternative to litigation for each Hispanic or female farmer and rancher who can prove that USDA denied their applications for loan or loan servicing assistance for discriminatory reasons for certain time periods between 1981 and 2000.

The voluntary claims process will make available at least \$1.33 billion for cash awards and tax relief payments, plus up to \$160 million in farm debt relief, to eligible Hispanic and women farmers and ranchers. There are no filing fees to participate in the program.

The department will continue reaching out to potential Hispanic and female claimants, around the country to get the word out to individuals who may be eligible for this program so they have the opportunity to participate.

Call center representatives can be reached at 1-888-508-4429. Claimants must register for a claims package (by calling the number or visiting the website) and the claims package will be mailed to claimants. All those interested in learning more or receiving information about the claims process and claims packages are encouraged to attend meetings in their communities about the claims process and contact the website or claims telephone number.

Website: www.farmerclaims.gov

Phone: 1-888-508-4429

Claims Period: Ends March 25, 2013.

Independent legal services companies will administer the claims process and adjudicate the claims. Although there are no filing fees to participate and a lawyer is not required to participate in the claims process, people seeking legal advice may contact a lawyer or other legal services provider.

To read Secretary Tom Vilsack's news release click on the following link:

<http://www.usda.gov/wps/portal/usda/usdahome?contentid=2012/09/0309.xml&contentidonly=true>

Payment Limitations (PL)

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

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

PAYMENT ELIGIBILITY

All FSA participants requesting benefits must complete a farm plan, FSA-902, Farm Operating Plan, for their farming operation and complete an Adjusted Gross Income (AGI) form, FSA 933, Average Adjusted Gross Income Statement, before payments are issued. For commodity and disaster programs the AGI limitation is a three-year average non-farm AGI of \$500,000. Also, an individual or entity must have a 3-year average AGI less than or equal to \$750,000 per year from farm income in order to qualify for direct payments issued under the Direct and Counter-cyclical Program and the ACRE (Average Crop Revenue Election) program.

For conservation programs, the average nonfarm AGI limitation is \$1 million or less for eligibility. However, an individual or entity who has non-farm AGI in excess of \$1 million remains eligible for conservation programs only if 66.66 percent or more of the total AGI is derived from farming, ranching and forestry operations.

FSA's GovDelivery

The USDA Farm Service Agency offices have moved to a paperless news distribution system. Producers are asked to enroll in the new GovDelivery system, which provides notices, newsletters and electronic reminders instead of a hard copy through the mail. FSA, like many other organizations, is trying to work smarter and be more efficient. Moving to electronic notifications via email helps conserve resources and save taxpayer dollars. Producers can now subscribe to receive free email updates by going to www.fsa.usda.gov/subscribe.

Actively Engaged

To be eligible for payments and benefits under Direct and Counter/Cyclical (DCP) programs, all program participants, either individuals or legal entities, must provide significant contributions to the farming operation to be considered as "actively engaged in farming." Contributions can consist of capital, land, and/or equipment, as well as active personal labor and/or active personal management. The management contribution must be critical to the profitability of the farming operation and the contributions must be at risk. Each partner, stockholder or member with an ownership interest must contribute active personal labor and/or active personal management to the farming operation on a regular basis. The contribution must be identifiable and documentable; as well as separate and distinct from the contributions made by any other partner, stockholder or member. If any partner, stockholder or member with an ownership interest fails to meet this requirement, program payments will be reduced by the corresponding share held by that partner, stockholder or member. There is an exception allowed for legal entities, such as corporations, if total direct payments received both directly and indirectly, by the legal entity and its members do not exceed \$40,000

IRS 1099-G Changes

Calendar year 2012 brought changes to the way FSA reports farm program payments to the producer and to the IRS. In past years, IRS Forms 1099-G would be issued to show all program payments received from the Farm Service Agency, regardless of the amount. For calendar year 2012, producers whose total reportable payments from FSA were less than \$600 will not receive IRS Form 1099-G. Also, producers who received payments from more than one county will only receive one Form 1099-G if the total of all payments from all counties was \$600 or more. The same changes will apply to those who normally receive IRS Form 1099-MISC from FSA.

Marketing Assistance Loans (MAL)

Short-term financing is available by obtaining low interest commodity loans for eligible harvested production. A nine-month Marketing Assistance Loan provides financing that allows producers to store production for later marketing. The crop may be stored on the farm or in the warehouse.

Loans are available for producers who share in the risk of producing the eligible commodity and maintain beneficial interest in the crop through the duration of the loan. Beneficial interest means retaining the ability to make decisions about the commodity, responsibility for loss because of damage to the commodity and title to the commodity. Once beneficial interest in a commodity is lost, it is ineligible for a loan, even if you regain beneficial interest.

Farm Storage Facility Loans

The Farm Storage Facility Loan Program (FSFLP) 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 seven, 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 U.S. 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.

Maintaining the Quality of Loaned Grain

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.

Unauthorized Disposition of Grain

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 haul any grain under loan.

County Committee Election Results for 2012

LAA2 Elected Unless Otherwise Designated

Election Held	Eligible	Ballots	% of Votes	Person	Write	Ineligible	Total	Percent
Counties	Voters	Counted	Counted	Elected	In	Ballots	Ballots	Ineligible
Abbeville/Greenwood/McCormick - LAA2	403	77	19.11%	Samuel A Milford		5	82	6.10%
Abbeville/Greenwood/McCormick - LAA5	272	42	15.44%	Daniel K Warner		7	49	14.29%
Aiken	493	37	7.51%	Tristan A Dubose		2	39	5.13%
Allendale	356	40	11.24%	John R Rice		2	42	4.76%
Anderson	824	82	9.95%	Ernie C Major		2	84	2.38%
Bamberg	551	57	10.34%	John D Turner		6	63	9.52%
Barnwell	351	35	9.97%	Gene Rowell		4	39	10.26%
Calhoun/Richland - LAA2	553	82	14.83%	Hayne Haigler		3	85	3.53%
Calhoun/Richland - LAA4	256	30	11.72%	John E Cotton		0	30	0.00%
Charleston/Berkeley	492	32	6.50%	Harry S Dupree		5	37	13.51%
Chester/Fairfield - LAA2	403	41	10.17%	Jean R Westbrook		7	48	14.58%
Chester/Fairfield - LAA4	305	22	7.21%	Pauline F McConnell		6	28	21.43%
Chesterfield	700	81	11.57%	Jerry W Mills		1	82	1.22%
Clarendon	828	114	13.77%	Stevenson Carl Gamble Jr		9	123	7.32%
Colleton	370	35	9.46%	John E Graham		5	40	12.50%
Darlington	858	101	11.77%	R Hoyt Campbell		12	113	10.62%
Dillon	530	111	20.94%	Floyd Johnson Jr		6	117	5.13%
Dorchester	848	103	12.15%	Trent Pendarvis		8	111	7.21%
Edgefield	320	35	10.94%	Peggy Ann Moss		2	37	5.41%
Florence	1825	271	14.85%	Edward A McCutcheon		15	286	5.24%
Georgetown	460	68	14.78%	Martin L Owens Jr		2	70	2.86%
Greenville/Pickens	535	41	7.66%	Susan C Hutton		4	45	8.89%
Hampton	422	53	12.56%	Jimmie Griner		3	56	5.36%
Horry	3093	308	9.96%	Henry G Bell Jr		16	324	4.94%
Jasper/Beaufort	1044	25	2.39%	Walter R Mack		4	29	13.79%
Kershaw/Lancaster - LAA2	610	35	5.74%	Ralph B Jones		4	39	10.26%
Kershaw/Lancaster - LAA4	647	88	13.60%	Lynwood Horton		4	92	4.35%
Laurens	606	64	10.56%	Thomas H Coggins Sr		10	74	13.51%
Lee	447	41	9.17%	Pete Beasley		3	44	6.82%
Lexington	445	30	6.74%	Joel R Keisler		30	60	50.00%
Marion	634	76	11.99%	Tony Collins		9	85	10.59%
Marlboro	568	62	10.92%	Rhett M Covington		7	69	10.14%
Newberry	181	47	25.97%	Heber Long		1	48	2.08%
Oconee	253	25	9.88%	Phillip L Bearden		0	25	0.00%
Orangeburg	1318	182	13.81%	H Thad Wimberly		15	197	7.61%
Saluda	981	79	8.05%	Leon Edwin Crouch		8	87	9.20%
Spartanburg/Cherokee/Union	1627	139	8.54%	Gordon T Lee		5	144	3.47%
Sumter	864	121	14.00%	Lee Newman		8	129	6.20%
Williamsburg	1461	148	10.13%	Atwood I McIntosh Jr		10	158	6.33%
York	677	50	7.39%	Steven W Boyd		1	51	1.96%
Total	28411	3110	10.95%		0	251	3361	7.47%

FEBRUARY INTEREST RATES

Farm Operating	1.125%
Farm Ownership	3.125%
Farm Ownership – Beginning Farmer Down Payment	1.500%
Emergency – Actual Loss	2.125%

Farm Loan Programs

New Microloan Program

USDA has implemented a new microloan program that will expand access to credit for small farmers and ranchers and beginning and socially disadvantaged producers.

The microloan application process is simpler and requires less paperwork than traditional operating loans. Additionally, the requirement for managerial experience and loan security has been modified to ensure that small family operations and beginning farmers and ranchers can obtain the credit needed to start and continue an agricultural operation. This loan program will also be useful to specialty crop producers and operators of community supported agriculture (CSA).

Eligible applicants can apply for a maximum amount of \$35,000 to pay for initial start-up expenses such as hoop houses to extend the growing season, essential tools, irrigation, delivery vehicles, and annual expenses such as seed, fertilizer, utilities, land rents, marketing, and distribution expenses. As financing needs increase, applicants can apply for an operating loan up to the maximum amount of \$300,000 or obtain financing from a commercial lender under FSA's Guaranteed Loan Program.

Small farmers often rely on credit cards or personal loans, which carry high interest rates and have less flexible payment schedules, to finance their operations. The microloan program will expand access to credit and provide a simple and flexible loan process for small operators.

The current interest rate for Microloans is 1.125 percent

In addition to microloans, FSA offers several farm loan programs that provide funding to purchase land, livestock, equipment, feed, seed, and supplies, or can be used to construct buildings or make farm improvements.

Producers interested in applying for a microloan or other FSA farm loan programs should contact their local Farm Service Agency office.

New Website Regarding Farm Bill Initiative

There is a new information link: www.fsa.usda.gov/atra

This website will provide up to date information on farm bill initiative associated with FSA including:

- News Releases
- Updated/current program Fact Sheets
- Statutory ATRA Language
- Federal Register

The website will be continually evolving.

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

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