



May 2011

TENNESSEE FSA Office

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2011 FSA County Committee Elections

The election of agricultural producers to Farm Service Agency (FSA) county committees is important to all farmers and ranchers, whether beginning or long-established, large or small operation. It is crucial that every eligible producer participate in these elections because FSA county committees are a link between the agricultural community and the U.S. Department of Agriculture.

County Committee (COC) members are a critical component of FSA operations. The intent is to have the COC reflect the makeup of the producers and to represent all constituents. This means wherever possible, minorities, women or lower income producers need to be on the committee to speak for these underrepresented groups.

County committees provide local input on:

- Commodity price support loans and payments
- Conservation programs
- Incentive, indemnity and disaster payments for some commodities
- Emergency programs
- Payment eligibility

FSA county committees operate within official regulations designed to carry out federal laws. County committee members apply their judgment and knowledge to make local decisions.

Election Period

June 15, 2011 - The nomination period begins.
Aug. 1, 2011 - Last day to file nomination forms (FSA-669A) at the local USDA Service Center
Nov. 4, 2011 - Ballots mailed to eligible voters
Dec. 5, 2011 - Last day to return voted ballots to the USDA Service Center
Jan. 2, 2012 - Newly elected county committee members take office

Who Can Hold Office

To hold office as a county committee member, a person must meet the basic eligibility criteria

- Participate or cooperate in a program administered by FSA
- Be eligible to vote in a county committee election
- Reside in the Local Administrative Area (LAA) in which the person is a candidate

Not have been:

- Removed or disqualified from the office of county committee member, alternate or employee
- Removed for cause from any public office or have been convicted of fraud, larceny, embezzlement or any other felony
- Dishonorably discharged from any branch of the armed services

Nominations

To become a nominee, eligible individuals must sign nomination form FSA-669A. The form includes a statement that the nominee agrees to serve if elected. This form is available at USDA Service Centers and online at http://www.fsa.usda.gov/Internet/FSA_File/fsa0669a_commiteelectform.pdf

Nomination forms for the 2011 election must be postmarked or received in the local USDA Service Center by close of business Aug. 1, 2011.

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DCP Sign-up Deadline

Enrollment for the 2011 Direct and Counter-cyclical Program (DCP) will continue through June 1, 2011. USDA urges producers to make use of the eDCP automated website to sign up, or producers can visit any USDA Service Center to complete their 2011 DCP contract.

USDA computes DCP Program payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2011, eligible producers may request advance direct payments based on 22 percent of the direct payment.

For more information on this or other programs, simply contact the nearest FSA office.

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Agricultural producers who participate or cooperate in an FSA program may be nominated for candidacy for the county committee. Individuals may nominate themselves or others as a candidate.

Additionally, organizations representing minority and women farmers or ranchers may nominate candidates. Nomination forms are filed for the county committee of the office that administers a producer's farm records.

Who Can Vote

Agricultural producers of legal voting age may be eligible to vote if they participate or cooperate in any FSA program. A person who is not of legal voting age but supervises and conducts the farming operations of an entire farm may also be eligible to vote. More information about voting eligibility requirements can be found in the FSA fact sheet titled "FSA County Committee Election - Eligibility to Vote and Hold Office as a County Committee Member." Producers may contact their local USDA Service Center for more information.

ACRE Program

The Average Crop Revenue Election (ACRE) offers producers an alternative to Direct and Counter-cyclical (DCP) payments. The ACRE alternative provides eligible producers a state-level revenue guarantee, based on the five-year state Olympic average yield and the two-year national average price.

ACRE payments are made when both state- and farm-level triggers are met. By participating in ACRE, producers forgo counter-cyclical payments. Producers also agree to receive a 20 percent reduction in direct payments and a 30 percent reduction in loan rates.

A decision to elect ACRE binds the producer to the program through the 2012 crop year, the last crop year covered by the 2008 Farm Bill. For more details contact the local FSA office

SURE Program

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters that incurred in the crop years 2008 through Sept. 30, 2011. To be eligible for SURE payments, a producer is required to obtain crop insurance on all crops in all counties. If crop insurance is not available the producer must participate in the Non-Insured Assistance Program (NAP.) However, crop insurance or NAP coverage is no longer required for crops that are not of economic significance or those where the

administrative fee required to buy NAP coverage exceeds 10 percent 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 following are the conditions that trigger SURE payments:

- At least one crop of economic significance must suffer a 10 percent production loss due to an eligible disaster condition

- Crop of economic significance is a crop that has contributed or would have contributed at least 5 percent or more of the total expected revenue from all crops on the farm

- Producers in counties declared disaster counties by the Secretary of Agriculture, or in contiguous counties, or those who show proof of an individual loss of at least 50 percent are eligible to receive SURE payments for crop producer or crop quality losses. Losses are measured with consideration to the whole farm revenue, which includes crop insurance indemnities and commodity program payments, so that producers are not paid more than once for the same loss

A SURE calculator is available at <http://www.fsa.usda.gov/FSA/webapp?area=home&subject=diap&topic=sure>. The calculator is not official, but is intended for educational use. A fact sheet and backgrounder are also available online.

BCAP Proposal Deadline

Project area proposals for the Biomass Crop Assistance Program (BCAP) must be submitted to the Tennessee Farm Service Agency state office by close of business, May 27, 2011.

BCAP provides incentives to eligible farmers, ranchers and forest landowners for the establishment and production of biomass crops for heat, power, bio-based products and biofuels. BCAP project areas are specific geographic areas where producers grow eligible biomass crops. Producers then receive annual payments for growing those crops.

For more information, visit the USDA Farm Service Agency's website at www.fsa.usda.gov/bcap or contact Kelly Novak at 202-720-4053 or cepdmail@wdc.usda.gov. The BCAP project area proposal submission form is available online at BCAP Form 20 (PDF), http://www.fsa.usda.gov/Internet/FSA_File/bcap_form_20.pdf

Emergency Assistance for 2010 Losses

More than \$8 million in disaster assistance will be issued to livestock, honeybee and farm-raised fish producers that suffered losses in 2010 because of disease, adverse weather or other conditions. The aid will come from the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP).

ELAP sign-up for 2011 losses is also under way. Producers with 2011 losses must file an ELAP application no later than Jan. 30, 2012. They also must file a notice of loss within 30 calendar days of when the loss is apparent to the producer or Oct. 31, 2011, whichever date is earlier. ELAP benefits related to 2011 losses are expected to be issued in early 2012.

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 or call 1-888-508-4429

• **Pigford – The Black Farmers Discrimination Litigation, please visit:**
www.blackfarmercase.com or call 1-866-950-5547

• **Keepseagle - The Native American Farmers Class Action Settlement please visit:** www.IndianFarmClass.com or call 1-888-233-5506

NAP Records

Production records for individual crops need to be filed at the FSA office to establish an approved NAP yield. If this is the first year you participated in NAP, you can provide production and acreage information 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. Records submitted must be reliable or

verifiable. Records need to show crop disposition. We recommend producers submit production records as soon as harvest is complete. **All production records must be submitted by the subsequent crop year's final acreage reporting date.**

NAP Loss Filing

The CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. Timely filing the CCC-576 is required for all crops including grasses. For losses on crops covered by the Non-insured Crop Disaster Assistance Program (NAP) and crop insurance, you must file a CCC-576 in the FSA County Office within 15 days of the occurrence of the disaster or when losses become apparent.

If filing for prevented planting, an acreage report and CCC-576 must be filed within 15 calendar days of the final planting date for the crop.

Adjusted Gross Income

USDA has a Memorandum of Understanding with the Internal Revenue Service to establish an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent will be required from each producer or payment recipient for the tax review process. No actual tax data will be included in the report that IRS sends to FSA.

The agreement ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 non-farm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs.

Participants in CCC programs subject to average AGI rules must submit form CCC-927 (Individual) and/or CCC-928 (Legal Entity) to the Internal Revenue Service by June 15 to avoid interruption of program benefits. These forms may be obtained from local FSA and NRCS offices.

Farm Loan Programs

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, 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 extend or renew your loan.

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[Name] County FSA
 Office
Address Line 2
Address Line 3



PRESORTED STANDARD
 U.S. POSTAGE PAID
CITY, STATE
 PERMIT #XXX

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Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,119,000. Producers are encouraged to apply early so that a loan can be processed and funded in a timely manner.

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.

Selected Interest Rates for May 2011	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	2.625%
Farm Ownership - Direct	5.00%
Limited Resource	5.00%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency	3.75%
Farm Storage Facility (based on terms)	2.875- 3.750%
Sugar Storage Facility	4.00%
Commodity Loans 1996-Present	1.250%

Dates to Remember	
Check NCT for Applicable date(s)	NAP Signup Ends
27 May	BCAP Proposals due by COB
June 1	Deadline for Farm Record Changes
June 1	ACRE Signup Ends
June 1	2011 DCP Enrollment Ends

USDA is an equal opportunity provider and employer.