



NEWSLETTER



January 2012

**ALASKA
FSA Offices**

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State Committee

Arthur Keyes, Chair

Susan Willsrud, Member

Mike Schultz, Member

FSA State Director's Column

2011 was a good year for American farmers. They had record farm income and record exports. The unemployment rate in rural America has fallen faster than other parts of the country. Alaska producers can look forward to another good year in 2012, and our staff at Alaska FSA will be there to help.

With smaller and tighter budgets, we can't operate like we did 50 years ago. In 2012, we will continue to modernize and improve customer service using innovative technologies and business solutions.

One new change in 2012 will be a transition to electronic newsletters. It's easy to sign up to get news, updates and key information by following the instructions on the back of this newsletter. This may be your last paper newsletter, so please sign up soon! Happy New Year 2012! Sincerely,

Danny

Farming Operation Changes

If you have bought or sold land, or if you have added or dropped rented land from your operation, make sure you report the changes to the office as soon as possible. You need to provide a copy of your deed or recorded land contract for purchased property. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties. Making the record changes now will save you time in the spring. Update signature authorization when changes in the operation occur. Producers are reminded to contact the office of a change in operations on a farm so that records can be kept current and accurate.

Get GovDelivery – Instant News, Updates

Farm Service Agency offices are adopting an instant delivery, electronic option. Producers can now enroll in the new GovDelivery system which will provide notices, newsletters and reminders via email, rather than costly paper copies delivered through the mail.

FSA, like many other organizations, is working smarter and more efficiently. Conversion to electronic notifications via email helps conserve resources and save taxpayer dollars.

County Committee ballots will continue to be mailed to all eligible producers. Subscribe right now to receive your free e-mail updates instantly by going to:

www.fsa.usda.gov/subscribe.

County Committee Election Results

The results are as follows:

Northern County – LAA-2

Roger Hendry - COC Member

Randy Mayo – Alternate

Southern County – LAA-3

Pam Lewis – COC Member

Tiny DePriest – Alternate

FSA appreciates all of the eligible voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

The committee members will hold their organizational meeting in January to determine who will serve as the county committee chairman and vice-chairman.

**NOTICE
TO HISPANIC
AND/OR
WOMEN
FARMERS OR
RANCHERS
COMPENSATION
FOR CLAIMS OF
DISCRIMINATION**

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.

To register your name to receive a claims packet, call the Farmer and Rancher Call Center at 1-888-508-4429 or visit: www.farmerclaims.gov

The claims package will have detailed information about the eligibility and claims process.



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Noninsured Crop Disaster Assistance Program (NAP)

The noninsured crop disaster assistance program (NAP) is a federally funded program that helps producers reduce their risk when growing food and fiber crops, specialty crops and crops for livestock feed. These benefits are only available for crops for which the catastrophic level of crop insurance is not available. Application for coverage must be filed by the applicable crop's application closing date.

Production records for all crops must be reported to FSA no later than the acreage reporting date for the crop for the following year. FSA requires that any production reported in a loss year be verifiable according to Agency specifications. NAP Losses must be reported within 15 days of loss.

Supplemental Revenue Assistance Program (SURE)

The sign-up for recovery payment for 2010 losses under the Supplemental Revenue Assistance Program (SURE) runs through **June 1, 2012**.

SURE provides benefits for farm revenue losses due to natural disasters and 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.

Special Accommodation

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office staff directly or by phone.

2012 DCP/ACRE Sign-up

2012 Direct and Counter-Cyclical Program (DCP) enrollment will begin Jan. 23, 2012 and will end June 1, 2012. Important Reminders:

1) 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.

2) Changes on the farm after enrolling June 1st in DCP/ACRE must be reported to your local FSA office. This includes: Ownership changes; Producer changes (Individuals and Entities); Change in crop shares arrangements.

Important Note: Changes cannot be made after Sept. 30, 2012.

Payment Limitations

Several FSA programs are subject to payment limitation provisions. Violation of any of these provisions may subject the producer to loss of payment and possible prosecution.

The following are current FSA program payment limitations:

PROGRAM	LIMIT
DCP Program	\$40,000
DCP CC / ACRE	\$65,000
CRP	\$50,000
SURE. LIP, LFP,	\$100,000
NAP	\$100,000
LDP, Market Gain	No Limit

Payment Eligibility

Note that specific eligibility criteria exist for the DCP and ACRE programs. Contact your nearest county FSA Office for further information regarding these and other provisions: 1) actively engaged, 2) cash-rent tenant rule and 3) foreign persons.

FSA Signature Policy

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

There are exceptions to the rule, where spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities. Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents.

For more clarification on spousal signature authority, feel free to contact your local FSA office.

Direct Attribution

For 2009 and subsequent crop years, payments will be limited by direct attribution rather than by "person." Under direct attribution, payments made to individuals remain unchanged. However, payments to legal entities such as corporations, limited partnerships, limited liability corporations and other similar entities are limited by attributing the payment to an individual based on his or her direct and indirect interest in the entity.

Average Adjusted Gross Income (AGI) Provisions

For 2012, there are now four qualifying levels for AGI provisions as follows:

1) **\$500,000 Nonfarm Income** – if a person or legal entity has AGI nonfarm income that exceeds, \$500,000, the person or legal entity is ineligible for all commodity program payments and benefits.

2) **\$750,000 Farm Income** – if a person or legal entity has AGI farm income that exceeds \$750,000, the person or legal entity is ineligible for DCP direct payments only.

3) **\$1,000,000 Nonfarm Income** – if a person or legal entity has AGI nonfarm income that exceeds \$1,000,000, the person or legal entity is ineligible for all conservation program benefits unless at least 66.66% of total AGI is average adjusted gross farm income.

4) **\$1,000,000 Total Farm and Nonfarm Income** – if a person or legal entity has AGI farm and nonfarm income that exceeds \$1,000,000, the person or legal entity is ineligible for 2012 direct payments under DCP.

Form CCC 931 must be completed to authorize the AGI certification process in conjunction with the IRS. The average AGI is based on the average adjusted gross income for the three taxable years preceding the most immediately preceding complete taxable year. For the 2012 program year, the three taxable years for AGI would include 2008, 2009 and 2010.

Rural Youth Loans

FSA makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5000.

Youth Loan Eligibility Requirements:

United States citizen or a legal resident alien (or permanent resident of Puerto

Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands)

- ✓ 10 years to 20 years of age
- ✓ Comply with FSA's general eligibility requirements
- ✓ Reside in a rural area, city or town with a population of 50,000 or fewer people
- ✓ Unable to get a loan from other sources
 - ✓ conduct a modest income producing project in a supervised program of work
 - ✓ Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms.

Loans for the Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, FSA has provided priority funding for members of Socially Disadvantaged Applicants.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders.

If producers or their spouses believe they would qualify as socially disadvantaged, they should contact their local FSA office for details. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

Alaska State FSA Office
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How to Sign Up for GovDelivery – Free Service / Quicker Information

Producers, owners and others interested in keeping up to date with important FSA program deadlines and information are strongly encouraged to sign up for GovDelivery. This new instant communication system allows newsletters, deadline reminders and bulletins to be sent right to your email address. Here are the simple steps to sign up.

- 1) To subscribe to updates, go to www.fsa.usda.gov
- 2) On the right side of the page under STAY CONNECTED, enter your email address in the box SIGN UP FOR UPDATES.
- 3) Click GO.
- 4) Under SUBSCRIPTION TOPICS, click the plus symbol (+) next to UPDATES BY STATE AND COUNTY.
- 5) Click the plus symbol (+) next to ALASKA.
- 6) Click the check box next to “ALASKA STATE OFFICE NEWSLETTER AND UPDATES.”
- 7) Click the check box next to the COUNTY OR COUNTIES you wish to subscribe to.
- 8) Scroll to the bottom of the page and click SUBMIT. A subscription notification will be sent to your email address.
- 9) If you do not receive an email notification, check your junk mail folder and mark the email as “not junk” to ensure proper delivery of future emails.

Selected Interest Rates for JANUARY 2012	
Farm Operating - Direct	1.500%
Farm Ownership - Direct	3.500%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Farm Storage Facility Loan	
7 year	1.375%
10 year	2.000%
12 year	2.250%
Commodity Loans 1996-Present	1.125%

DATES to Remember	
Jan. 23-June 1	2012 DCP/ACRE sign up
Jan 31	2011 LDP Unshorn Lamb Pelts deadline
June 1	2010 SURE sign up ends
Jan. 30	Sign-up ends Jan. 30, 2012, for LFP, LIP, and ELAP.

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).

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