



“SCOOP”

ARKANSAS FARM SERVICE AGENCY - - STATE OFFICE

June 2012

PRODUCER ELIGIBILITY FOR 2012 MARKETING ASSISTANCE LOANS (MAL) AND LOAN DEFICIENCY PAYMENTS (LDP)

An eligible producer is a person or legal entity that has complied with annual program requirements, including:

- reporting acreage for all cropland on a farm
- completing form AD-1026 for conservation compliance
- having beneficial interest in the eligible commodity
- sharing in the risk of producing the eligible commodity
- meeting average adjusted gross income (AGI) provisions

A person or legal entity with average adjusted gross non-farm income that exceeds \$500,000 is **not** eligible for MAL **gains** and LDP payments. However, the person or entity is eligible for MAL's, but the loans **must** be repaid at principal plus interest.

SOLDIERS' AND SAILORS' CIVIL RELIEF ACT OF 1940

Relief from foreclosure, sale, or seizure of property for nonpayment of a loan obligation, during the period of active military service or within 3 months thereafter, is offered to Marketing Assistance Loan borrowers who are on active duty anywhere in the world and are active duty members of the U.S. Army, U.S. Navy, U.S. Marine Corps, U.S. Air Force, or U.S. Coast Guard. Also, Treasury and internal administrative offsets will be discontinued once a producer is ordered to report for induction or military service. Contact your local FSA Office for more information.

REMOVING CCC LOAN COLLATERAL

Producers, if you have grain under a Commodity Credit Corporation loan it cannot be removed without prior authorization or repayment. Unauthorized removal, which includes removal for cleaning for seed or planting, is a violation and is subject to monetary and administrative penalties.

Your loans are subject to spot check. Determined shortages must be repaid with principal plus interest, and additional monetary penalties plus loss of future loan eligibility may apply. Producers planning to remove or clean CCC loan grain should contact the county office staff for additional information.

Conservation Reserve Program (CRP)

The General Signup 43 offers were ranked by an Environmental Benefits Index (EBI), indicating the environmental benefits to be gained from enrolling the land in CRP. The EBI consists of five environmental factors: wildlife, water, soil, air, enduring benefits, and a cost factor. Decisions on the EBI cutoff were made, and the Secretary of Agriculture announced the accepted offers. County Offices are currently reviewing the lists of Accepted and Rejected Offers, and will send notification to all producers who made an offer by the end of Signup, which was April 13, 2012.

CRP's Continuous sign-up program is ongoing. Continuous acres represents the most environmentally desirable, and sensitive land. Conservation Reserve Program - Highly Erodible Land Initiative (Continuous Sign-Up), and the New Conservation Reserve Program Initiative to Restore Grasslands, Wetlands, and Wildlife Initiative will come out this summer. For more information, visit www.fsa.usda.gov/crp or your local Farm Service Agency

To learn about other programs offered through FSA, visit www.fsa.usda.gov.

2012 DCP & ACRE LATE ENROLLMENT AUTHORIZED

FSA national office has authorized producers to enroll or withdraw 2012 DCP or ACRE Contracts through August 1, 2012. Producers meeting this new deadline will be considered timely enrolled if all required signatures are obtained. Required signatures include the farm operator and all producers who have a share in base acres. Persons who have zero shares such as the owner who cash rents the farm may sign after this deadline provided the required signatures are obtained timely. However, the County Committee cannot consider the application final until all signatures are obtained. Producers are also reminded that supporting documentation, such as the Farm Operating Plan, Highly Erodible Wetland Certification, and Adjusted Gross Income Certification, can be provided after the DCP or ACRE enrollment deadline. DCP or ACRE payments cannot be issued until these documents are obtained, and are determined to meet the eligibility criteria.

CHANGES TO DCP and ACRE CONTRACTS

Each year random situations arise which require producers to make changes to already approved DCP contracts. As producers make new leasing arrangements, you are encouraged to review the Appendix to the DCP contract and/or visit your local FSA office to ensure that DCP and ACRE Division of Payment rules and deadlines are properly followed. One important question DCP or ACRE producers should ask themselves when there is more than one producer on a farm, "Does each producer sharing in the base acres control enough effective DCP cropland to support their share of the base acres on the contract?" Failure to understand DCP and ACRE rules could result in all producers on the contract being out of compliance and unable to earn payments. Revisions to an approved 2012 contract should be executed in the County Office as quickly as possible, with the final deadline of September 30, 2012.

JULY 15, 2012 ACREAGE REPORTING DEADLINE

July 15, 2012 is the final acreage reporting deadline for spring seeded planted crops. Many FSA programs require all cropland on a farm to be certified in order to earn FSA benefits. However, if the crops are not planted by July 15, 2012, FSA's provisions allow crops to be considered timely reported if reported to FSA within 15 calendar days after planting is completed. However, it is extremely important for producers to understand all fields that are planted by July 15, 2012 must be certified by this date. This extension is only applicable to fields planted after July 15, 2012.

PREVENTED PLANTED PROVISIONS

Producers should report prevented planted acreage to their local FSA Office when the crop acreage is not planted due to disaster-related conditions.

- **To be considered timely filed, prevented planted acres should be reported no later than 15 calendar days after the final planting date established by Federal Crop Insurance.**
- Final planting dates are provided in this SCOOP titled "Program Deadlines."

FAILED ACREAGE PROVISIONS

Producers should report failed crop acres to their local FSA Office when the crop failed due to disaster related conditions. To be timely filed the failed acreage shall be reported to FSA before the crop is destroyed. For example, if a crop was completely destroyed by the recent floods, the producers shall report the crop loss to the FSA before preparing the land for other use. County Committee review, and action is required to receive history credit in accordance with applicable rules and regulations. The County Committee may require the office to conduct a field visit for crop residue and verification.

PLANTING FLEXIBILITY

Any commodity may be planted on the following:

- any land, including base acres, on a farm NOT enrolled in a DCP contract
- non base acres of a farm enrolled in a DCP contract
- base acres of a farm enrolled in a DCP contract, except for fruits, vegetables and wild rice.

Check with your local office to see if you or the farm qualifies for allowable exceptions.

PLANTING OF FRUITS AND VEGETABLES (FAV's) OR WILD RICE

If you or your farm qualifies to plant FAV's, or wild rice, you are reminded to check with your local FSA office to determine the number of acres that are eligible on your farm to be planted to FAV's, or wild rice. We often find that producers are not advising FSA of changes in available land, such as a sale of land, until after the FAV's or wild rice has been planted, and/or harvested. Unfortunately, some producers have had large penalties enforced for planting too many acres of FAV's or wild rice. **Do not let this happen to you.**

Duties in the Event of Damage, Loss, Abandonment, Destruction, or Alternative Use of Crop or Acreage for Noninsured Crop Disaster Assistance Program (NAP) Purposes

Due to the current lack of rainfall and potential drought conditions producers are reminded to notify, and file a notice of loss with the local FSA County Office within 15 calendar days of damage or loss to NAP crops.

NAP Producer Duties –

(a) In case of damage to any NAP covered crop at least one producer having a share in the unit must file a notice of loss to CCC in the administrative FSA county office:

- For prevented planting claims within 15 days after the final planting date
- For low yield claims and allowable value loss, the earlier of:
 - 15 days after the disaster occurrence, or date of loss or damage to the crop or commodity becomes apparent
 - 15 days after the normal harvest date.

(b) For NAP purposes, the notice of loss must be filed for each crop and include:

- The cause of crop damage
- Date the disaster occurred and when the damage or loss became apparent
- A copy of the contract or agreement if a contract or agreement of a guaranteed payment for planted acreage exists.
- Type of loss that occurred, e.g. prevented planting or low yield
- Practices used, e.g. irrigated or non-irrigated

For prevented planting:

- Total acreage you intended to plant on the unit
- Total acreage you planted on the unit
- Whether seed, chemicals, fertilizer, etc. was purchased, delivered, or an arrangement for purchase or delivery was made for the intended crop
- What and when land preparation measures were completed, and
- What has been done or will be done with the acreage, e.g. abandoned, replanted, etc.

For low yield:

- Total acreage of the crop you planted in the unit
- Total acreage of the crop affected
- What and when land preparation measures and practices were completed before and after the loss, and
- What will be done with the affected crop acreage, e.g. harvested, destroyed, replanted to a different crop, abandoned, etc.

Duties in the Event of Damage, Loss, Abandonment, Destruction, or Alternative Use of Crop or Acreage for Noninsured Crop Disaster Assistance Program (NAP) Purposes
(Continued)

Additionally:

- Any other information requested by a CCC authorized representative.
- For crop acreage that will not be harvested, i.e. abandoned, destroyed, or in the case of forage acreage intended for mechanical harvesting but grazed, must be left intact and you must request a crop appraisal and release of crop acreage by a CCC-approved loss adjustor:
 - Prior to destruction or abandonment of the crop acreage; or
 - No later than the normal harvest date, as determined by the CCC.

(c) A notice of loss filed beyond the time specified in paragraph (a) of this section may be considered timely filed if, at the discretion of CCC, time permits:

- An authorized CCC representative to verify information on the notice of loss by inspecting the affected acreage or the crop involved
- COC or an authorized CCC representative the opportunity to determine that eligible disaster conditions caused the damage or loss

(d) You must:

- Provide a complete harvesting and marketing record of each eligible crop by unit, including separate records showing the same information for production from any acreage not eligible.
- Upon our request, or that of any USDA employee authorized to conduct investigations of the NAP program, submit to an examination under oath.

(e) You must establish the total production or value received for the covered crop on the unit, that any loss of production or value occurred during the NAP coverage period, and that the loss of production or value was directly caused by one or more of the covered causes of loss.

(f) All notices required in this section must be received by your local FSA office within 15 days.

(g) It is your duty to prove you have complied with all provisions of the Application for Coverage.

- Failure to comply with the requirements of section 15(c) (Your Duties) will result in denial of your application for payment or prevented planting for the acreage for which the failure occurred. Failure to comply with all other requirements of this section will result in denial of your application for payment, or prevented planting, or for which the failure occurred, unless we still have the ability to accurately adjust the loss
- Failure to comply with other sections of the Application for Coverage will subject you to the consequences specified in those sections.

Contact your local FSA Office to address any questions you may have concerning these provisions.

PROGRAM DEADLINES

PROGRAM DEADLINES	DATE
<u>Final</u> date to inform FSA of crop losses	Before Crop Disposition
<u>Final</u> date to file a 2012 ACRE Election <u>Final</u> date to have all signatures on an ACRE Election <u>Final</u> date to file a 2012 DCP and/or ACRE (yearly) enrollment <u>Final</u> date to return signatures for producers sharing in the DCP and/or ACRE contract <u>Final</u> date to file a successor-in-interest DCP or ACRE contract if the change occurred by June 1, 2012	June 1, 2012
The date FSA uses to look at the structure of farming operations to calculate direct attributions	June 1, 2012
<u>Final</u> date for Sign-up for 2010 Losses for the SURE Program	June 1, 2012
<u>Final</u> date to file prevented planted acreage/credit for Upland Cotton for Clay, Craighead, Crittenden, Cross, Greene, Jackson, Lawrence, Mississippi, Poinsett, St. Francis, White, and Woodruff Counties	June 4, 2012
<u>Final</u> date to file prevented planted acreage/credit for Rice	June 9, 2012
<u>Final</u> date to file prevented planted acreage/credit for Upland Cotton for Arkansas, Ashley, Bradley, Chicot, Clark, Dallas, Desha, Drew, Jefferson, Lafayette, Lee, Lincoln, Little River, Lonoke, Miller, Monroe, Phillips, Prairie, and Pulaski Counties	June 9, 2012
<u>Final</u> date to file prevented planted acreage/credit for Peanuts	June 9, 2012
<u>Final</u> date to file prevented planted acreage/credit for Soybeans Not Following Another Crop (NFAC)	June 30, 2012
<u>Final</u> date to file prevented planted acreage/credit for Soybeans Following Another Crop (FAC)	July 10, 2012
<u>2012 NAP Acreage Reporting Date for:</u> Beans - All Varieties, Corn, Sweet Corn, Cotton, Cantaloupes, Cucumbers, Eggplant, Grain Sorghum, Okra, Onions – All Varieties, Peanuts, Peas – All Varieties, Peppers – All Varieties, Pumpkins – All Varieties, Rice, Squash, Watermelons, Soybeans, Sunflowers, Sweet Potatoes Mechanically Harvested Forages: Millet, Yellow Corn, and Sorghum	July 15, 2012

<u>Final</u> date to Report 2012 Spring Seeded Crops	July 15, 2012
<u>Last</u> date to request a 2012 reconstitution on a DCP or ACRE farm <u>Final</u> date to file a 2012 DCP and/or ACRE (yearly) enrollment Under late filed provisions <u>Final</u> date to return signatures for producers sharing in the DCP and/or ACRE contract Under late filed provisions	August 1, 2012
<u>Final</u> date to prioritize crop to receive ACRE Payments <u>Final</u> date to file a 2012 successor-in-interest DCP or ACRE contract if the change occurred after June 1, 2012 <u>Final</u> date to return signatures for producers who share in a DCP and/or ACRE contract that had a 2012 successor-in-interest contract filed after June 1, 2012	September 30, 2012
New!!! <u>Final</u> date to report <u>2013</u> planted and prevented planted wheat and oats	December 15, 2012

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