

January 2007

Newsletter 1

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FSA: www.fsa.usda.gov
USDA: www.usda.gov
Farm Bill:
www.usda.gov/farmbill

Hours:

Monday-Friday
8:00 AM-4:30 PM

County Committee:

Susan Harter
Richard Manassero
Terry Munz
Patricia Van Dam

Advisor:

Bennie Moore, Jr.

County Executive

Director:

Douglas Brand

Staff:

Marilynn Wells, PT
Holleen Self, PT

Los Angeles-Orange-San Bernardino Counties

FSA NEWS

County Committee Election Results

Congratulations to **Terry Munz** and **Richard Manassero** who were recently re-elected to serve on the Los Angeles-Orange-San Bernardino County FSA Committee. Terry Munz was re-elected to serve as a representative for the northern Los Angeles County (LAA-4). Richard Manassero was re-elected to serve as a representative of southern Los Angeles County and Orange County (LAA-3). **Bennie Moore, Jr.** was elected to serve as 1st alternate in LAA-4.



The County FSA Committee is the farmer-elected body that is responsible for administrating USDA farm programs at the local level. USDA relies on farmer-elected county committees to make national programs work locally.

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

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

Improper Payments

A recent audit of county offices throughout the Nation has revealed that 11 percent of the payments that were issued in fiscal year 2006 were classified as improper. A closer examination of these improper payments has shown that 90 percent of the errors were due to incomplete paperwork or invalid signatures (on contracts or applications for benefits). While this means that only one percent of the many payments issued through FSA offices were calculated incorrectly, it also means that 10 percent of the payments issued did not have the proper documentation.

In order to prevent situations where producers may have to refund payments, the California State FSA Office has instructed all county FSA offices in California to review their applications thoroughly to ensure all forms are updated and accurate, and to verify the person who is signing for the farming operation has the proper signature authorities on file in our office. As a result of these reviews, you may be required to submit additional documentation and the application and payment process may take slightly longer to complete. Please be patient and understanding as these steps are being taken to protect you and your farming operations.

IN THIS ISSUE:

- COC Election Results
- Improper Payments
- MILCX Program
- DCP Sign-up
- Cold Weather
- Administrative County
- Farm Record Changes
- Bank Account Changes
- Foreign Landowner Requirements
- Other Important Annual Reminders
- Complaint Process

MILK INCOME LOSS CONTRACT EXTENSION (MILCX) PROGRAM

If you would like to change your FY2007 production start month, you must request the change on or before the 14th of the month before the:



- month originally designated as the production start month
- newly selected production start month.

For example, since your FY2007 production start month is June 2007 and if you would like to change it to March 2007, you would have to request the change on or before February 14, 2007. If you would like to change your FY2007 start month to July 2007, you would have to request the change on or before May 14, 2007.

Changes must be made in advance of payment rates being known by the public for both the original production start month that the dairy operation is changing from and the production start month that the dairy operation is changing to. Otherwise, the production start month cannot be changed.

Changes to the FY2007 start month must be made on a CCC-580M form. To request a FY2007 start month change or to request a CCC-580M form, contact our FSA Office and ask for Marilynn.

2007 MILC Payment Rates: Monthly payment rates will be maintained on the Price Support Department web site located at <http://www.fsa.usda.gov/dafp/psd>.

MILC Payment Rates for FY 2007	
October 2006	\$0.4318
November 2006	\$0.4386
December 2006	\$0.4284
January 2007	\$0.0340
February 2007	\$0.1020

NONINSURED CROP ASSISTANCE PROGRAM (NAP)

Producers with Noninsured Crop Assistance Program (NAP) coverage are reminded that they must notify the FSA Office within 15 calendar days after the disaster occurrence has affected the crop. This would include any crop damage caused by any eligible natural disaster. Failure to timely notify FSA may result in not being eligible for a NAP payment.

For further information regarding the Noninsured Crop Assistance Program or report any crop damage, you can contact our FSA office and ask for Holleen.

COLD WEATHER CONDITIONS

California is experiencing colder than normal weather conditions. FSA is working with the California Department of Food and Agriculture, and others, to assess what effect the freezing temperature has had on agricultural crops. If you would like more information on USDA disaster programs or would like to report crop damage, please call your local county FSA office.

FARMER'S CHOICE OF ADMINISTRATIVE COUNTY

Until recently the County Administrative office for program participants was basically the county office in which the principal farm operator resided. Now a change in a farm's administrative county may be permitted without completing a farm combination in the receiving county, if the producer documents that the changed administrative County Office is significantly more convenient. Changing an administrative County Office because of convenience is a **one time selection (for the current operator)** and **will not** be used to evade program rules.

A farm transfer can be initiated by the farm's operator or owner or the receiving or transferring county committee. All owners and operators must sign a FSA-179 (Transfer of Farm Records between Counties).

REPORTING FARM INFORMATION CHANGES

It is the producer's responsibility to report their farm operation completely and accurately. It is also the producer's responsibility to notify FSA of any changes in their farming operation or entity status throughout the year. Changes that may affect a determination include, but are not limited to: a change in contract shares of a contract; change of land lease from cash rent to share rent or from share rent to cash rent; a change in the size or structure of the producer's farming operation; change in the member's shares; and a change in the contributions of farm inputs of capital, equipment, active personal labor, or active personal management.

POWER OF ATTORNEY

If you're too busy getting work done around the farm to come into your local FSA office to conduct business and complete your paperwork, here's a solution. Retain an agent to act on your behalf for programs and transactions authorized under the 2002 Farm Bill and most other FSA administered programs. This can be done by completing an FSA-211 (Power of Attorney form). The form is available at your local FSA office.

ANNUAL NOTIFICATION OF PAYMENT LIMITATION PROVISIONS

Producers are reminded that no program benefits may be made until the FSA office has made all the necessary payment limitation and eligibility determinations. Producers will remain ineligible until all the required forms that include information pertaining to their farming operations are provided to the office. It is the producer's responsibility to report changes in the farming operation which may affect payment eligibility and limitation.

Determinations

Payments and benefits under certain programs are subject to some or all of the following: "person" determinations, payment limitations, "actively engaged in farming" requirements, cash-rent tenant rule, permitted entity restrictions, foreign person rule, and the average adjusted gross income limitation. These determinations may be initiated by producers or the local County Committee.

Below are the programs, the payment limitation amount, and the applicable provisions. Provisions and limitations for other programs will be included with the program announcements.

Program	Amount	Determinations
DCP	\$40,000 Direct \$65,000 CC (Counter-Cyclical)	Person (P), Actively Engaged (AE), Cash-Rent Tenant (CRT), Permitted Entity (PE), Foreign Person (FP), and Adjusted Gross Income (AGI)
Commodity Loans	\$75,000	FP
Marketing Loan Gains	Total of \$75,000	P, AE, CRT, PE, FP, AGI
LDP		P, AE, CRT, PE, FP, AGI
CRP	\$50,000	P, AE, CRT, PE, FP, AGI
ECP	\$200,000	P
NAP	\$100,000	P, \$2.0 million Qualifying Gross Revenue (QGR)
TAA	\$10,000	P, AGI
TAP	\$75,000	P

Farm Operating Plan (CCC-502) and Other Forms

Producers are only required to file a new farm operating plan (and required documentation) if one is not on file or the current farm operating plan has significant changes which may affect a determination. No program benefits subject to these determinations will be provided until all required forms are submitted and applicable approved determinations are made.

Husband and Wife Determinations

Spouses may be considered separate "persons" for payment limitation purposes if this determination is requested and applicable requirements are met.

End of Year Review Process

If selected for an end of year review, documentation necessary to verify information on the Farm Operating Plans will be requested by FSA. Producers may also be interviewed to ensure compliance with payment limitation provisions. Failure to provide information may result in ineligibility for program benefits.

Adjusted Gross Income Provisions

In accordance with National Procedure, noncompliance with the adjusted gross income provisions, either by exceeding the \$2.5 million limitation or by failure to submit the applicable certification statement, will result in the determination of ineligibility for all program benefits subject to the adjusted gross income provisions.

BANK ACCOUNT CHANGES

Current policy mandates that FSA payments be electronically transferred into your bank account. In order for timely payments to be made, producers need to notify the FSA County office staff if your account has been changed or if another financial institution purchases your bank. Payments can be delayed if the FSA office is not aware of updates to your account and routing numbers.

SPOUSAL SIGNATURES

Husbands and wives may sign documents on behalf of each other for FSA and CCC 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.

FOREIGN LANDOWNER NOTIFICATION

The Agricultural Foreign Investment Disclosure Act requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture.

Foreign investors who buy, sell or hold a direct or indirect interest in U.S. agricultural land must report their holdings and transactions to the FSA within 90 days of the closing. Failure to timely file an accurate report can result in a penalty with fines up to 25 percent of the fair market value of the agricultural land. County government offices, Realtors, attorneys, and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

CONTROLLED SUBSTANCE

Any person who is convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits.

SPECIAL ACCOMODATIONS

Special accommodations will be made, upon request, for individuals with disabilities, vision impaired, or hearing impairment. If accommodations are required, please call our office at (661) 942-9549.

CIVIL RIGHTS COMPLAINT PROCESS

Any person, class or group of persons may file a discrimination complaint within 180 days of an alleged discriminatory action. Complaints may be filed in writing or orally with the agency head, any designated agency official or the Secretary of Agriculture, USDA, Washington, D.C. 20250. Assistance in filing a complaint can be obtained by calling or visiting any FSA office.

APPEAL PROCESS

After an FSA official makes a decision on your request for USDA services or application, you will be sent a letter informing you of the decision and options you can pursue if you disagree. Generally, program participants have three choices – an informal review with the original agency decision-maker, an opportunity for mediation, and appeal to the USDA National Appeal Division (NAD).

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (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 USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.

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