



February
2012

Mississippi
FSA State Office

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CRP Sign-up 43 Announced

FSA will conduct a four-week Conservation Reserve Program (CRP) general sign-up beginning **March 12** and **ending April 6**, 2012. CRP is a voluntary program available to agricultural producers to help them use environmentally sensitive land for conservation benefits.

Producers enrolled in CRP plant long-term, resource-conserving covers to improve the quality of water, control soil erosion and develop wildlife habitat. In return, FSA provides participants with rental payments and cost-share assistance. Contract duration is between 10 and 15 years. Producers with expiring contracts and producers with environmentally sensitive land are encouraged to evaluate their options under CRP.

A producer interested in a CRP contract through the upcoming general sign-up must make an offer, and all offers will be ranked according to the Environmental Benefits Index (EBI). Each eligible offer will be ranked against all other offers, and selections will be made strictly from that ranking. FSA uses the following EBI factors to assess the environmental benefits of land offered:

- wildlife habitat benefits resulting from covers on contract acreage;
- water quality benefits from reduced erosion, runoff and leaching;
- on-farm benefits from reduced erosion;
- benefits likely to endure beyond the contract period;
- air quality benefits from reduced wind erosion; and
- cost.

Additional information is available from FSA Fact Sheets "[Conservation Reserve Program, General Sign-Up 43, March 12-April 6, 2012](#)" and "[Conservation Reserve Program Sign-Up 43 Environmental Benefits Index \(EBI\)](#)."

DCP/ACRE Sign-up

2012 Direct and Counter-Cyclical Program (DCP) enrollment began Jan. 23, 2012, and will end **June 1, 2012**. Here are some **IMPORTANT REMINDERS**:

- 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.
- Changes related to interests in the farm and/or its production after enrollment in DCP/ACRE must be reported to the county FSA office, whether such changes involve individuals or entities. Examples of reportable changes include:
 - ownership changes,
 - producer changes, and
 - changes in crop share arrangements.

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

2010 SURE Sign-Up

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

SURE provides benefits for farm revenue losses due to natural disasters that occurred in the crop year 2010. SURE is available to eligible producers on:

a farm in a county that was the subject of a primary or contiguous disaster declaration by the Secretary of Agriculture (all counties in Mississippi qualified in 2010), with respect to crop production and/or quality losses incurred because of the disaster, excluding crops used for grazing, (determinations will reflect all crops grown by the producer nationwide) and

- a farm in any county when, because of disaster-related conditions, the actual production of the farm for the crop year is 50 percent or less than its normal production.

"Actively Engaged" Rules Change

USDA has amended the requirements to be considered "actively engaged" in farming. These rules apply to eligibility for payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE) program administered by FSA.

In all but rare circumstances, a stockholder or member of a legal entity **must** contribute active personal labor and/or active personal management to the farming operation. Such contributions must be identifiable, performed on a regular basis, and separate from the contributions of others.

Form CCC-1099-G

Producers who received payments from FSA in 2011 should by now have received a Form CCC-1099-G. That form is a report to the Internal Revenue Service about FSA payments (excluding refunds) made to producers during the previous calendar year. It is not intended to replace the producer's responsibility to report income to the IRS.

Each producer receiving a CCC-1099-G should check it for accuracy against his or her records. Although refunds are not reported on the CCC-1099-G, they are available online from the FSA Financial Inquiries (FSA-FI) web-based database. Program participants with an eAuthentication user ID and password may access their refund information at FSA-FI by selecting "Inquiry Type 1099/Refund Reports." Refund amounts are displayed on the Producer's Year-to-Date Activity web page.

If you have questions concerning refund information, contact the FSA office.

FSA Adopting GovDelivery

The USDA Farm Service Agency offices are moving toward a paperless operation. Producers are asked to enroll in the new GovDelivery system. In the near future, it

will provide notices, newsletters and electronic reminders instead of a hard copy through the mail. Today, it already provides Mississippi press releases to subscribers, along with any other USDA publications selected.

Correspondence unique to a producer and County Committee ballots will continue to be mailed. FSA, like many other organizations, is compelled to become more efficient. Moving to electronic notifications via email will help save taxpayer dollars.

Producers can now subscribe to receive free e-mail updates by going to <http://www.fsa.usda.gov/subscribe>.

Subscribers will be given the option of receiving many items, including Mississippi press releases, FSA program fact sheets and numerous USDA publications. Producers can also sign up for newsletters for any Mississippi county or counties, so that they will automatically receive the newsletters selected once the GovDelivery system can deliver newsletters.

Noninsured Crop Disaster Assistance Program (NAP)

The Noninsured Crop Disaster Assistance Program (NAP) is a federally funded program that helps producers reduce their financial risk in growing food and fiber crops, specialty crops and crops for livestock feed IF the catastrophic level of crop insurance is not available for such crops. Application for coverage of any particular crop must be filed by that crop's application closing date.

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

Rural Youth Loans

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

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, or you regularly borrow from FSA, contact the FSA office about direct and guaranteed loans. Such 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.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000.

Guaranteed loans have a maximum limit of \$1,214,000. The maximum combination of direct and guaranteed loan indebtedness \$1,514,000.

The one-time loan origination fee charged on an FSA guaranteed farm ownership or operating loan obligated after October 1, 2011, is 1.5 percent of the guaranteed portion of the loan.

Contact the FSA office to find out more about all FSA loan programs.

Spousal Signatures

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest, unless written notice to the contrary from either spouse has previously been provided to the FSA office.

Spouses are not permitted to sign on behalf of each other when only one is an authorized signatory for a partnership,

joint venture, corporation, or other similar entity.

Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents.

For additional clarification on proper signatures, call the FSA office.

Marketing Assistance Loans

Commodity loans, also called Marketing Assistance Loans, are available to producers who share in the risk of producing a crop and maintain beneficial interest in the crop through the time of application. Once beneficial interest in a commodity is lost, the commodity is ineligible for a commodity loan - even if beneficial interest is regained.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as the assessment of liquidated damages, calling of the loan, and denial of future similar loans. Common violations are unauthorized removal or disposal of loan collateral and providing an incorrect quantity certification.

Beginning and Limited Resource Farmers

FSA provides financial assistance for their agricultural enterprises to beginning farmers and ranchers and those qualifying as "limited resource." Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- has operated a farm for not more than 10 years
- will materially and substantially participate in the operation of the farm
- agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- does not own a farm in excess of 30 percent of the county's median farm size.

Information about loans to "limited resource" farmers, loan applications and other materials are available at the FSA office or at www.fsa.usda.gov.

New Land Contract (LC) Guarantee Program

The Farm Service Agency (FSA) is now offering loans through the Land Contract (LC) Guarantee Program. The LC Guaranteed Loans will be available to the owner of a farm who wishes to sell property through a land contract to a beginning farmer or a farmer who is a member of a socially disadvantaged group.

A land contract is an installment contract between a buyer and a seller for the sale of real property, in which ownership of the property is not transferred until all payments under the contract have been made.

LC Guaranteed Loans can be used in connection with the purchase of a farm by means of a new land contract for a purchase price up to \$500,000. Under this new program, FSA will offer the seller a choice of either of the following types of guarantees;

- a "prompt payment guarantee" in the amount of up to three amortized annual installments plus the cost of any related real estate taxes and insurance; or
- a "standard guarantee" of 90 percent of the outstanding principal balance under the land contract.

The buyer must have a feasible business plan of operation and meet eligibility requirements similar to those for the Guaranteed and Direct Farm Ownership Programs. The buyer must also provide a

minimum down payment of five percent of the purchase price and plan to operate the farm subject to the land contract.

For additional information, including a complete list of borrower and seller eligibility criteria and application materials, see www.fsa.usda.gov or contact the FSA office.

Selected Interest Rates for February 2012	
Farm Operating - Direct	1.375%
Farm Ownership - Direct	3.375%
Limited Resource	5.0%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.5%
Emergency	3.75%
Commodity Loans	0.125%

Dates to Remember	
Feb.20	Federal offices closed
Feb.28	NAP Signup Ends for Certain Crops -- contact your FSA office for more information
Mar.12	CRP General Signup 43 Begins
Until June 1	2012 DCP/ACRE Enrollment
Until June 1	SURE 2010 Sign Up

Sign up for electronic delivery of the FSA documents of your choice by going to <http://www.fsa.usda.gov/subscribe>

USDA is an equal opportunity provider, lender and employer.