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**Web Sites:**

FSA: [www.fsa.usda.gov](http://www.fsa.usda.gov)  
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**Hours:**

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

**County Committee:**

Dorothy Wood Chair  
Jack Seiler, Vice-Chair  
Harriet Young, Reg. Mbr  
Betty Bouris, Reg. Mbr.

**Advisor-**

Efren Castro

**County Director:**

Rosalinda Singh

**Staff:**

Maria Padron  
Sherrian Wilder

**Farm Loan Staff:**

Tom Hunton, Mgr.  
(661) 336-0967 ext. 2  
Gary Troester - Indio  
Aurora Alonso - Indio

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**December 2006**

**Riverside-San Diego County**

# **FSA NEWS**

## **County Committee Elections**

County Committee (COC) elections were held earlier this month for Local Administrative Area (LAA) 2 – the Coachella Valley and LAA 4 – all of San Diego County. In LAA 2, Efren Castro was elected to serve a 3-year term beginning January, 2007. Harriet Young will serve as first alternate. In LAA 4 Raymond Lodge was elected to serve a 3-year term beginning January, 2007. Albert Salazar will serve as first alternate. COC's are a critical component of the operations of FSA. They help deliver FSA farm programs at the local level. Farmers who serve on committees help with the decisions necessary to administer the programs their counties offer. They work to make FSA agricultural programs serve the needs of local producers. Thank you to all those that participated in voting this year, and to our four nominees for their willingness to serve on our committee. A special thank you to Harriet Young and Dorothy Wood for their years of dedication and service to FSA and it's farmers.

## **2007 DCP Sign-up Started October 1**



To participate in the Direct & Counter-cyclical Program (DCP), producers are required to designate shares and sign the DCP contract (CCC-509) on a yearly basis. For 2007, the DCP sign-up period runs from October 1, 2006 to June 1, 2007. In cases where a farm is reconstituted, all resulting farms will need to enroll if the producers intend to participate. CCC-509's with signatures obtained after June 1, but by September 30, 2007, will be accepted, but the farm will be assessed a late-filed sign-up fee of \$100. All supporting documentation, such as CCC-502, AD-1026 and CCC-526 must be submitted before payments can be issued. Annual acreage reports indicating uses of all cropland on a farm must be filed by the applicable established reporting dates. Acreage reports filed after the applicable final reporting date may be accepted if all requirements are met and a late-filed fee is paid.

DCP payments are calculated by taking 85% of the base acres, multiplied by the farm yield, times the applicable payment rate, times the producer share. Producers may receive an advance of the direct payment, beginning December of the program year. Final direct payments will be made on or after October 1 following the contract period. Counter-cyclical payments may also be authorized for one or more covered commodities, depending on the projected and actual market prices. The amount of a counter-cyclical payment is dependent upon the average of the actual prices received by farmers during the marketing year.

## Important Payment Limitation Information

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	\$40000-Direct	Person (P), Actively Engaged (AE), Cash-Rent Tenant (CRT), Permitted Entity (PE), Foreign Person (FP) and Adjusted Gross Income (AGI)
	\$65000-Counter cyclical	
Commodity Loans	\$75000	FP
Marketing Loan Gains	Total of \$75000	P, AE, CRT, PE, FP, AGI
LDP		
EQUIP	\$450000 (2002-2007)	AGI
CRP	\$50000	P, AE, CRT, PE, FP, AGI
ECP	\$200000	P
		P, \$2.0 million Qualifying Gross Revenue (QGR)
NAP	\$100000	P, AGI
TAA	\$10000	
TAP	\$75000	P

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. In addition to the Farm Operating Plan, producers may also be required to provide information regarding the members in entities, and their designation of permitted entities. Spouses may be considered separate “persons” for payment limitation purposes if this determination is requested and applicable requirements are met. Also, if selected for an end of year review, documentation necessary to verify information on the Farm Operating Plan and Adjusted Gross Income will be requested by FSA. Producers may also be interviewed by review teams to ensure compliance with payment limitation provisions. Failure to provide information may result in ineligibility for program benefits. For more information please contact FSA.

## Improper Payments Information Act

By now, California producers should have received a letter from California State Executive Director John Smythe, informing producers of FSA’s efforts to safeguard benefits provided to you by this agency.

The Improper Payments Information Act of 2002 holds FSA accountable for the paperwork and payments we process. As a result, we are thoroughly reviewing program participation files to ensure all required paperwork is on file and completed properly. We are further reviewing if proper signature authority is on file with this office. This effort is quite extensive and absolutely imperative, and it is being taken to protect you and your farming operation. As a result of these reviews, you may be required to submit additional documentation, and the application and payment process will take somewhat longer to complete.

Please understand this effort is necessary, and in your best interest as we strive to provide you with the best quality service possible. FSA appreciates your patience and cooperation.

## 2007 Acreage Reporting Requirements

Filing an accurate and timely acreage report for all crops/commodities and land uses can prevent loss of benefits for programs listed in the following table. The 2007 acreage reporting deadline for small grains is **April 30, 2007**. The deadline for hay, corn, fruits, vegetables and all other crops is **July 15, 2007**.

Benefit	Ac. Reporting Requirement	Reason for Requirement
Loans & LDP’s	All cropland on the farm	Needed to determine reasonableness of claimed production. Required by FSRIA of 2002
DCP	All cropland on the farm	Required by FSRIA of 2002
NAP	Crop acreage or commodity for which NAP benefits may be requested	Needed to establish eligibility of the crop or commodity and producer for NAP benefits

**SPECIAL ACCOMMODATIONS** – Special accommodations will be made, upon request, for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, please call this office and we will be happy to make any arrangements necessary.

## MILCX Extended Signup

The extended signup phase for the MILCX program began May 18 and ends September 30, 2007. MILCX allows the continuation of financial assistance to dairy operations in connection with production sold in the commercial market when domestic prices fall below a specified level. Dairy operations that submit a MILCX for benefits during the extended signup phase can select as the MILCX production start month either the month the MILCX is submitted or from the remaining months in the fiscal year for which the payment rate is not known, and according to the start month selection process.



MILCX payments will occur in months when the price of Class I milk in Boston under the Northeast Milk Marketing Order falls below \$16.94 per hundredweight (cwt). Payments are calculated by multiplying the applicable month's payment rate times the quantity of eligible production for that month. The maximum quantity of eligible production for payment per dairy operation is 2.4 million lbs. (24,000 cwt.) per fiscal year. To apply for the MILCX program, a producer must submit a CCC-580X form to their local FSA office. A separate CCC-580X form must be filed for each dairy operation that produced and commercially marketed milk during the authorized program period.

### Dates to Remember

<b>Oct. 1, 2006</b>	2007 DCP Enrollment began
<b>Dec. 25, 2006</b>	Holiday – Office Closed
<b>Jan. 1, 2007</b>	Holiday – Office Closed
<b>April 30, 2007</b>	Acreage Reporting Deadline for 2007 Small Grains
<b>May 7, 2007</b>	Deadline to file for Emergency Loan authorized by Disaster Declaration
<b>June 1, 2007</b>	2007 DCP Signup Deadline
<b>July 15, 2007</b>	Acreage Reporting Deadline for 2007 crops other than small grains

*Riverside/San Diego County FSA staff wishes each and every one of you a Merry Christmas and Happy New Year. We hope your holidays are most enjoyable and hope 2007 brings us all good health, and beautiful crops & bountiful yields to our farmers!!*

## Loan Deficiency Payments (LDPs)

LDP's are payments made to producers who, although eligible to obtain a marketing assistance loan, agree to forgo the loan in return for a payment on an eligible commodity. The CCC-633EZ form has been developed to encompass field direct LDP's; basic LDP's and cotton AA and replaces the original CCC-633 and CCC-709 forms.

By completing and agreeing to the terms and conditions provided on CCC-633EZ page 1 BEFORE losing Beneficial Interest (BI), producers indicate their intentions to receive LDP benefits. This one page covers all counties and all eligible harvested commodities for the entire year for the individual, joint operation or entity identified on the form. *Producers must sign & submit this form to FSA before BI in the crop is lost.* Once CCC-633EZ page 1 has been signed & submitted, the producer can submit an LDP request by completing page 2 (all harvested commodities except cotton); page 3 (cotton); or page 4 (wool, mohair, unshorn pelts) at any time during the loan availability period. Eligible commodities and final loan availability:

<b>Commodity</b>	<b>Final Loan Availability Date For 2006 Crops</b>
Wool, mohair, unshorn pelts	January 31, 2007
Wheat, honey, barley, canola, oats, crambe, flaxseed, rapeseed, sesame	March 31, 2007
Cotton, corn, grain sorghum, lentils, mustard, safflower, sunflower seed	May 31, 2007

## California Small Farm Conference

The 20<sup>th</sup> convening California Small Farm Conference will be held in Monterey, California March 4 – 6, 2007. Conference topics include cultural practices, value-added processing, specialty crops, expanding Farmers' Markets, transitioning to organics, business & marketing strategies and more.

To learn more about available scholarships or about the conference visit: [www.californiafarmconference.com](http://www.californiafarmconference.com).

**BANK ACCOUNT CHANGES/DIRECT DEPOSIT** – As of January 1, 1999 all FSA payments are supposed to be electronically transferred into your bank account. In order to make timely payments, you need to notify this office if you close or change your account information, or if another financial institution purchases your bank. Payments can be delayed if we are not aware of changes to your account and routing number.

**FSA FARM LOANS** – FSA makes both direct and guaranteed farm ownership and operating loans to family-size farmers and ranchers who cannot obtain commercial credit from a bank or other lender, including loans to beginning farmers & ranchers, socially disadvantaged applicants and youth loans. FSA loans can be used to purchase land, livestock, equipment, feed, seed and supplies. The loans can also be used to construct buildings or make farm improvements. If you're having trouble getting commercial credit, check with either Gary or Aurora in our Indio office (760 347 3675 ext. 2) about eligibility, as well as maximum loan amounts, rates, terms, use of proceeds or more information regarding socially disadvantaged applicants. You may also visit our website to learn more about FSA loans.

**FOREIGN BUYERS NOTIFICATION** – The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. FSA administers this program for USDA. Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25% of the fair market value of the property. County government offices, realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

**CHANGE IN FARMING OPERATION** – If you have bought or sold land, or if you have picked up or dropped rented land from your operation, make sure you report the changes to this office as soon as possible. You need to provide proof of ownership (deed; tax-bill) 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.

**DISASTER DECLARATION** - Imperial County was one of 16 counties included in the recent USDA Disaster Declaration due to the record-setting heat wave that occurred in July. The declaration makes all qualified farm operators in the designated areas eligible to apply for low-interest emergency loans from the Farm Service Agency. Farmers in San Diego and Riverside counties are also eligible since these counties are contiguous to Imperial County. Farmers in these counties have eight months from the date of the declaration (September 7, 2006) to apply for loans to help cover part of their actual losses. For more information contact Gary Troester or Aurora Alonso. There are no other FSA programs in place at this time to respond to losses suffered due to the heat wave. It is recommended producers maintain good documentation of the heat wave effects on their farming operation in the event future programs are enacted.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program 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, genetic information, political beliefs, 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, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

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