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County Committee:

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Ray Lodge- Vice-Chair
Efren Castro- Reg. Mbr
Betty Bouris- Reg. Mbr.

County Director:

Rosalinda Singh

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March 2007

Riverside-San Diego County

FSA NEWS

MILCX Extended Signups

The extended signup phase for the MILCX program began May 18, 2006 and ends September 30, 2007. 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.

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.

Landowner Designation Reconstitutions

The designation by landowner method is the division of bases, allotments and quotas in the manner agreed to by the parent farm owner and purchaser or transferee. It may be used when part of the farm is sold or ownership transferred; an entire farm is sold to two or more persons; part of a tract is sold or ownership transferred; a tract is sold to two or more persons or tract ownership is transferred to two or more persons. This method may not be used to divide allotments or quotas, if the parent farm is located in two or more counties and the allotments and quotas cannot be transferred from one county to another by sale, lease or owner. An FSA-155 will be signed by the sellers and buyers (transferees). An exception can be made if there is a memorandum of understanding that is signed by all sellers and buyers and filed with FSA. The MOU will then be attached to the FSA-155.

Improper Payments Information Act

The Improper Payments Information Act of 2002 holds FSA accountable for the paperwork and payments we process. FSA is currently 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 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 during this process.

Adjusted Gross Income (AGI)

Producers will be ineligible for any commodity, conservation or price support program benefit if their AGI exceeds \$2.5 million, unless 75% or more of the AGI is from farming, ranching or forestry. AGI is based on the average of the three tax years prior to the year benefits are requested. AGI is required from individuals, entities and members of an entity. This information is NOT subject to disclosure under the Freedom of Information Act (FOIA). AGI will help FSA ensure we are paying actual ag producers.

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

IMPORTANT CROP REPORTING INFO FOR

NAP: The final date for reporting any crop acreage for NAP is the earlier of July 15 or 15 calendar days before the onset of harvest of the NAP crop.

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.

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, DC 20250. Assistance in filing a complaint can be obtained by calling or visiting any FSA office.

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.

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 by either spouse.

Disaster Declaration Information



USDA has designated 18 California counties, including Riverside County as primary natural disaster areas due to losses caused by extremely low temperatures and freezing conditions that occurred during the period January 6, 2007 through January 19, 2007. This declaration allows farm operators to apply for low-interest emergency loans from the Farm Service Agency. Farm operators in San Diego County are also eligible to apply since San Diego County is contiguous to Riverside County.

Farmers in these counties have eight months from the date of the declaration (January 31, 2007) to apply for loans to help cover part of their actual losses. FSA will consider each loan application on its own merits, taking into account the extent of losses, security available and repayment ability. For more information on eligibility requirements and application procedures, interested farmers should contact Gary Troester in our Indio office @ 760 347 3675 XT106. Additional information is also available online at: <http://disaster.fsa.usda.gov>.

There are no other FSA programs in place at this time to respond to losses suffered due to the freezing temperatures. It is recommended producers contact their crop insurance agents, ag commissioner, and maintain good documentation of the freezing effects on their farming operation in the event future programs are enacted.

SPECIAL NOTE: A disaster declaration was issued on September 7, 2006 for the heat-wave California experienced in July, 2006. Imperial County was included in that designation and farmers in contiguous counties (Riverside/San Diego) have until May 7, 2007 to file for Emergency Loan assistance authorized by this particular declaration.

Dates to Remember

Oct. 1, 2006	2007 DCP Enrollment began
April 30, 2007	Acreage Reporting Deadline for 2007 Small Grains
May 7, 2007	Deadline to file for Emergency Loan for crop losses due to July/06 heatwave
June 1, 2007	2007 DCP Signup Deadline
July 15, 2007	Acreage Reporting Deadline for 2007 crops other than small grains
Sept. 30, 2007	Deadline to file for Emergency Loan for crop losses due to January freeze
Sept. 30, 2007	Deadline to late-file for 2007 DCP

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:

Commodity	Final Loan Availability Date	
	For 2006 Crops	For 2007 Crops
Wool, mohair, unshorn pelts	January 31, 2007	January 31, 2008
Wheat, honey, barley, canola, oats, crambe, flaxseed, rapeseed, sesame	March 31, 2007	March 31, 2008
Cotton, corn, grain sorghum, lentils, mustard, safflower, sunflower seed	May 31, 2007	May 31, 2008

HEL/WC Compliance

Operators are reminded that in order to receive payments, compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions are required. Farmers with HEL soils need to be aware of tillage, crop residue, and rotation requirements as specified in your conservation plan. Contact NRCS if you have any questions about your conservation plan. Don't wait until after you plowed the ground to find out if you are out of compliance. Also, it is very important that you contact this office before modifying (tiling, draining, dredging, filling or leveling) any wetland or drainage ditch. Failure to obtain advance approval for any of these situations can result in loss of all Federal payments and eligibility.

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 in this office. 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.

UNITED STATES DEPARTMENT OF AGRICULTURE
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