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Web Sites:

FSA: 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

Farm Loan Manager:

Tom Hunton
(661) 336-0967 ext. 2

Staff:

Maria Padron
Sherrian Wilder
Aurora Alonso-Farm Loans
Gary Troester-Farm Loans

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September 2006

Riverside-San Diego County

FSA NEWS

County Committee Elections

The election of responsible agricultural producers to FSA county committees (COC) is important to ALL farmers and ranchers with large or small operations. It is crucial that every eligible producer take part in this election because COC's are a direct link between the farm community and USDA. Committee members are a critical component of the day-to-day operations of FSA. They help deliver FSA farm programs at the local level and work to make FSA agricultural programs serve the needs of local producers. This year's election will be held in Local Administrative Area #2 (LAA2) – Coachella Valley; and #4 (LAA4) – all of San Diego County.

Agricultural producers of legal voting age can vote if they participate or cooperate in any FSA program. Check with your local FSA office for voting requirements and eligibility if uncertain about your eligibility to vote. Ballots will be mailed to all eligible voters on record in LAA2 and LAA4 in early November. Voted ballots must be returned or postmarked by December 4, 2006 and will be counted in this office on Monday, December 11th at 11:00AM. For more information on the election process you are welcome to contact this office or visit the following website: www.fsa.usda.gov/pas/publications/elections.

Final DCP Payments for 2006

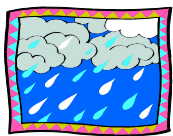
Producers enrolled in 2006 Direct & Counter-cyclical Program (DCP) can expect their final 2006 direct payments in early October. Producers who did not elect to receive an advance direct payment will receive their entire direct payment for the year in one lump sum in early October as well. Direct payment for a crop equals 85% of the farm's base acreage x the farms direct payment yield x the direct payment rate.

2007 DCP Sign-up Starts Oct. 1

Sign-up for 2007 DCP begins October 1. DCP provides payments to eligible producers on farms enrolled for the 2002 through 2007 crop years. Farm producers must apply for DCP on an annual basis and can opt out of participating for any year if they so choose. To be eligible producers must file a DCP contract (CCC-509), Acreage Report (FSA-578) and other required FSA forms before final payment can be issued. The CCC-509 must be submitted by June 1, 2007 to be considered timely. Those 509's received after June 1, 2007 but before September 30, 2007 will be charged a late-file fee of \$100. All other required documents must be filed by September 30, 2007.



Noninsured Crop Disaster Assistance Program (NAP)



NAP is designed to reduce financial losses that occur when natural disasters cause a catastrophic loss of production of an eligible crop. NAP coverage is similar to that of Catastrophic insurance and covers commercially grown crops that are produced for food and fiber and are currently non-insurable. The damaging weather, adverse natural occurrence or related condition must occur before or during harvest and directly cause, accelerate or exacerbate destruction or deterioration of the eligible crop. An eligible natural disaster includes damaging weather, such as drought, excessive moisture or hurricane; an adverse natural occurrence, such as earthquake or flood; or a condition related to damaging weather or adverse natural occurrence, such as excessive heat, or in some cases insect infestation.

Program requirements include:

- Annually providing a crop report* (FSA-578) and production evidence for each eligible crop (production evidence must be provided by the next year's application closing date).
- Producers gross revenue cannot exceed \$2 million for the most recent tax year preceding the year for which assistance is requested.
- A service fee of \$100/crop (not to exceed \$300/county) will be charged at the time of application. The service fee is an annual fee and must be paid prior to application closing date.
- NAP payment limitation is \$100,000 per "person".
- To apply for coverage you must file form CCC-471, Application for Coverage and pay the applicable service fees by the application closing date.

Producers with Noninsured Crop Disaster Assistance Program (NAP) coverage are reminded that they must notify the FSA Office and complete FSA Form CCC-576 Part B 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. The natural disaster must have either reduced your expected unit production of the crop by more than 50%; or prevented you from planting more than 35% of your intended crop acreage.

***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.

NAP Application Closing Dates

COMMODITY	Application Closing Date – 2007 Crops
Fall planted seed crops & other crops planted 9/1/06-8/31/07	08/01/06**
Forage, Value Loss & Controlled Environment Crops	09/01/06**
Honey, Onions	12/01/06
Apples, Avocados (non-Haas), Persimmons, Pomegranates, Strawberries	12/15/06

**For informational purposes – this deadline has passed for 2007 crops.

***DON'T FORGET TO VOTE
IN THIS YEAR'S
COUNTY COMMITTEE ELECTIONS!***

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.

Special accommodations will be made, upon request, for individuals with disabilities, vision or hearing impairment. If accommodations are required please call this office @ 760 347-3675 XT2.

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 dates for 2006 crops are as follows:

Commodity	Final Loan Availability Date For 2006 Crops
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

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

*See important crop reporting info for NAP purposes in the section on page 2 discussing the NAP program.

Honey Loans Available

Honey producers are reminded that they may obtain 9-month marketing assistance loans on their 2006 honey until March 31, 2007.



To be eligible for a loan, a producer must have:

- Produced honey in the United States during the calendar year for which the loan is requested and extracted honey on or before December 31, of the applicable crop year;
- Had a continuous beneficial interest in the honey through the date of repayment of the loan;
- Been responsible for the financial risk of keeping the bees and producing the honey.

Loans mature on demand, but no later than the last day of the 9th month after the note and security agreement were approved. Honey used as collateral may not be disposed of without approval of the County FSA Office staff. Producers interested in a Honey Loan should contact this office and ask for Sherrian.

Dates to Remember

Oct. 1, 2006	2007 DCP Enrollment begins
Oct. 9, 2006	Holiday – Office Closed
Nov. 23, 2006	Holiday – Office Closed
Dec. 4, 2006	Deadline to return or postmark voted ballots
Dec. 11, 2006	Count voted ballots, next COC meeting – meeting subj. to change
Dec 1 & 15, 2006	2007 NAP application deadlines-see chart on page 2
April 30, 2007	Acreage Reporting Deadline-2007 Small Grains
May 7, 2007	Deadline to file for Emergency Loan authorized by Disaster Declaration
June 1, 2007	2007 DCP Signup Deadline
July 15, 2007	Acreage Reporting Deadline for 2007 crops other than small grains

California Small Farm Conference

The 20th 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.

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 @ 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.

UNITED STATES DEPARTMENT OF AGRICULTURE
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