



“SCOOP”

ARKANSAS FARM SERVICE AGENCY - - STATE OFFICE

June 2010

Signup Announced for Tree Assistance Program (TAP)

Tree Assistance Program (TAP) provides financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes, and vines that were **lost** by natural disasters occurring on or after January 1, 2008, and before October 1, 2011.

To qualify for TAP, orchardists and nursery tree growers must:

- suffer qualifying tree, bush, and vine losses in excess of 15 percent mortality (after adjustment for 3% normal mortality) from an eligible natural disaster for the individual stand
- have owned the eligible trees, bushes, and vines when the natural disaster occurred; however, eligible growers are not required to own the land on which eligible trees, bushes, and vines are planted
- replace eligible trees, bushes, vines within 12 months from the date the application is approved.

Orchardists and nursery tree growers may apply to receive TAP benefits beginning **May 10, 2010**, for losses suffered during calendar years 2008 and 2009, and for losses suffered during January 1, 2010, to May 7, 2010. The following table provides the final dates to submit a TAP application and supporting documentation.

<u>Date of Loss</u>	<u>Final Date to Submit an Application and Supporting Documentation</u>
Calendar Year 2008	July 6, 2010
Calendar Year 2009	July 6, 2010
January 1, 2010, to May 7, 2010	July 6, 2010
May 8, 2010, to September 30, 2011	Within 90 calendar days of the disaster event or date when the loss of trees, bushes, or vines is apparent.

For more information and guidelines, contact your local FSA office.

Transition Incentives Program (TIP) Announced

Eligible retired or retiring owners and operators and beginning or Socially Disadvantaged (SDA) farmers or ranchers may enroll in TIP on a continuous basis beginning on Monday, **May 17, 2010**.

To be considered eligible, Beginning or Socially Disadvantaged farmers or ranchers and CRP participants must enroll in TIP during the period beginning 1 year before the CRP contract expiration date and September 30 of the year when the CRP contract is scheduled to expire.

Example: CRP-1 is scheduled to expire on September 30, 2012. The TIP signup period for that contract is October 1, 2011, through September 30, 2012.

For contracts that expired on September 30, 2008 or 2009, or are scheduled to expire on September 30, 2010, TIP enrollment may begin immediately.

The 2008 Farm Bill, authorized \$25 million for the voluntary transition of land enrolled under an expiring CRP contract from a retired or retiring owner or operator to a beginning or SDA farmer or rancher to return the land to production for sustainable grazing or crop production.

Retired or retiring owners and operators who qualify under TIP may be eligible to receive annual rental payments for up to 2 additional years after the CRP-1 expiration date provided the transition is **not** to a family member as defined in 4-PL, paragraph 138.

Note: Family members of the retired or retiring owners or operators may participate in TIP; however, the additional 2 years of annual rental payments will **not** be paid.

Beginning farmer or rancher means a person or entity who:

- has **not** been a farm or ranch operator or owner for more than 10 years
- materially and substantially participates in the operation of the farm or ranch involved in
- the CRP contract modification
- if an entity, is an entity in which 50 percent of the members or stockholders of the entity
- meet the first 2 requirements of this definition.

Retired or retiring owner or operator means an owner or operator of land enrolled in a CRP contract that has ended active labor in farming operations as a producer of agricultural crops or expects to do so within 5 years of the CRP contract modification.

Socially Disadvantaged farmer or rancher means a farmer or rancher who is a member of an SDA group, whose members have been subjected to racial or ethnic prejudice because of their identity as members of a group without regard to their individual qualities. **Gender is not included as a covered group.** SDA groups include any of the following and no others unless approved in writing by the Deputy Administrator of Farm Programs:

- American Indians or Alaskan Natives
- Asians or Asian Americans
- Blacks or African Americans
- Hispanics
- Native Hawaiians or other Pacific Islanders.

During the last year of CRP-1 contract before its scheduled expiration, the beginning or SDA farmer or rancher must develop and implement a conservation plan that meets acceptable standards for sustainable grazing or crop production methods. The sustainable grazing and crop production methods must be designed as a part of an overall plan defined on an ecosystem level to be useful in creating integrated systems of plant and animal production practices that have a site-specific application that would:

- meet human needs for food and fiber
- enhance the environment and the natural resource base
- use nonrenewable resources efficiently
- sustain the economic viability of the farming operation.

For more information on Sustainable Agriculture, visit the following website:

<http://www.sare.org/publications/whatis/whatis.pdf>

TERMINATION OF COMMODITY CERTIFICATE EXCHANGES EFFECTIVE FOR 2010 CROP LOAN COLLATERAL

The Food, Conservation, and Energy Act of 2008, Section 1607, provides that the purchase and exchange of commodity certificates for marketing assistance loan (MAL) collateral terminate effective with the end of the 2009 crop year. Commodity certificates will continue to be exchanged for a 2009 crop MAL commodity up to the individual maturity date for that 2009 crop commodity. However, commodity certificates will **not** be available for exchange for any 2010 and subsequent crop MAL's.

The termination of commodity certificate exchanges by the crop year of the MAL collateral means that for some periods during calendar year 2010, commodity certificate exchanges may be requested and processed for 2009 crop MAL's, but not for 2010 and subsequent crop year MAL's.

PRODUCER ELIGIBILITY FOR 2010 MARKETING ASSISTANCE LOANS (MAL) AND LOAN DEFICIENCY PAYMENTS (LDP)

An eligible producer is a person or legal entity that has complied with annual program requirements, including:

- reporting acreage for all cropland on a farm
- completing form AD-1026 for conservation compliance
- having beneficial interest in the eligible commodity
- sharing in the risk of producing the eligible commodity
- meeting average adjusted gross income (AGI) provisions

A person or legal entity with average adjusted gross non-farm income that exceeds \$500,000 is **not** eligible for MAL **gains** and LDP payments. However, the person or entity is eligible for MAL's, but the loans **must** be repaid at principal plus interest. Remember that commodity certificate exchange will terminate effective with the end of the 2009 crop loan season.

SOLDIERS' AND SAILORS' CIVIL RELIEF ACT OF 1940

Relief from foreclosure, sale, or seizure of property for nonpayment of a loan obligation, during the period of active military service or within 3 months thereafter, is offered to Marketing Assistance Loan borrowers who are on active duty anywhere in the world and are active duty members of the U.S. Army, U.S. Navy, U.S. Marine Corps, U.S. Air Force, or U.S. Coast Guard. Also, Treasury and internal administrative offsets will be discontinued once a producer is ordered to report for induction or military service. Contact your local FSA Office for more information.

REMOVING CCC LOAN COLLATERAL

Producers, if you have grain under a Commodity Credit Corporation loan it cannot be removed without prior authorization or repayment. Unauthorized removal, which includes removal for cleaning for seed or planting, is a violation and is subject to monetary and administrative penalties.

Your loans are subject to spot check. Determined shortages must be repaid with principal plus interest, and additional monetary penalties plus loss of future loan eligibility may apply. Producers planning to remove or clean CCC loan grain should contact the county office staff for additional information.

PROGRAM DEADLINES

PROGRAM DEADLINES	DATE
Final date to inform FSA of crop losses	Before Crop Disposition
Last date to file prevented planting credit	15 days after the final planting date
Final date to file a 2010 ACRE Election Final date to have all signatures on an ACRE Election Final date to file a 2010 DCP and/or ACRE (yearly) enrollment Final date to have returned signatures for producers who have a share in a DCP and/or ACRE contract Final date to file a successor-in-interest DCP or ACRE contract if the change occurred by June 1, 2010	June 1, 2010
The date FSA uses to look at the structure of farming operations to calculate direct attributions	June 1, 2010
Final Date to Report 2010 Spring Seeded Crops	July 15, 2010
Last date to request a 2010 reconstitution on a DCP or ACRE farm	August 1, 2010
Final date to prioritize crop to receive ACRE Payments Final date to file a 2010 successor-in-interest DCP or ACRE contract if the change occurred after June 1, 2010 Final date to have returned signatures for producers who have a share in a DCP and/or ACRE contract that had a 2010 successor-in-interest contract filed after June 1, 2010	Sept. 30, 2010

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