



**Wisconsin State
FSA Office**

For individual program information, please contact your local county office.

8030 Excelsior Dr.
Suite 100
Madison, WI 53717

Hours

Monday-Friday
8:00 am - 4:30 pm

**State Executive
Director**

Brad Pfaff

WI State Committee

Bill Averbeck, Chair
Patty Edelburg
George Huber

Website

www.fsa.usda.gov/wi

September 2012

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From the Desk of Brad Pfaff, Wisconsin State Executive Director

Students are back in school; leaves are turning color. Fall harvest is well under way.

Without question, it has been an interesting growing season in Wisconsin. March was abnormally warm, April saw frost. As a result, flowering plants blossomed early and then froze. This summer brought heat and little precipitation to the southern half of our state. Farmers experienced drought-like conditions as a result of little rain. As I write, a new farm bill has yet to be reauthorized.

Once a new farm bill is enacted, however, it is imperative that our agency communicates with you. Due to uncertain budgets, FSA is exploring alternative communication methods, including electronic newsletters, which will provide you with more frequent and timely information. In order to ensure that you receive this information, I encourage you to contact your local FSA office and share with us your e-mail address. By sharing your e-mail address, you will be certain to receive timely and periodic information that will assist you in your decision making.

On behalf of all the members of the Wisconsin FSA team, thank you for your work.



**FSA Moving to Electronic Newsletters
UNTIL FURTHER NOTICE PRINTED
NEWSLETTERS WILL NOT BE MAILED**

The USDA Wisconsin Farm Service Agency offices are moving toward a paperless operation.

Producers are asked to enroll in the new electronic mail system which will provide newsletters and electronic reminders instead of a hard copy through the mail.

Until further notice, printed newsletters will not be mailed to producers. For those without internet or e-mail access, producers may visit the county office to obtain a printed copy of the newsletter or contact the office to have a copy sent via U.S. mail.

FSA, like many other organizations, is trying to work smarter and be more efficient. Moving to electronic notifications via e-mail will help conserve resources and save taxpayer dollars.

County Committee ballots will continue to be mailed to all eligible producers.

Interested producers may sign-up to receive e-mail updates by contacting their local county FSA office.

**November 1st Deadline to Provide Final
Production Evidence for MILC**

Signup for the Milk Income Loss Contract (MILC) program began December 22, 2008. As of the date of this newsletter, legislation to extend the program beyond the authorized deadline has not been received. Therefore, signup for the MILC program will end on September 30, 2012, as provided by the Food, Conservation, and Energy Act of 2008.

For producers that have a signed CCC-580 MILC contract on file with FSA, verifiable production evidence that confirms the dairy operation's eligible production and commercial milk marketings must be provided to County Offices before any payment will be issued to the dairy operation. To obtain MILC benefits for all previous months for which a MILC payment rate was in effect, producers must provide the dairy operation's final production evidence and any supporting documentation, if not already submitted, for eligible months by close of business November 1, 2012.

Producers Encouraged to Document Crop & Livestock Losses

With recent dry weather conditions in some areas of the state, FSA encourages farmers to document low crop yields and crop or livestock losses.

Producers must report crop losses resulting from a weather-related disaster event within 15 days of the disaster or when the loss first becomes apparent to their crop insurance agent or FSA if they are participating in NAP. Prevented planting must be reported no later than 15 days after the final planting date.

Although low yield acreage does not need to be reported, if uninsured, producers are encouraged to keep good production records on acreage with a low crop yield to document crop losses.

It is important that producers file accurate and timely loss reports to prevent the potential loss of FSA program benefits. Farmers are reminded that they may revise FSA crop reports free of charge. A crop report revision, however, must be verified by physical evidence of the crop in a field spot check.

In addition, producers who suffered livestock losses as a direct result of an adverse weather event, such as extreme heat, may need to provide documentation of death if a FSA program for livestock losses is implemented in the 2012 Farm Bill.

FSA staff can provide producers with a list of potential acceptable loss documentation that includes proof of death, producer records and verifiable inventory documentation. Some of the acceptable documents may include rendering truck receipts, veterinary records, purchase records, production records, or private insurance records. If adequate verifiable proof of death records documentation is not available, a livestock producer may provide reliable records, along with verifiable beginning and ending inventory, as proof of death.

Additional information in regard to livestock or crop losses covered can be obtained by contacting your local county office or online at www.fsa.usda.gov.

2013 Non-Insured Crop Disaster Assistance Program Deadline Dates

Producers interested in participating in the Non-Insured Crop Disaster Assistance Program (NAP) need to remember the deadline

dates that must be met for NAP qualification.

NAP is designed to cover losses caused by damaging weather conditions. If losses are in excess of 50 percent, payment would be received. Losses are generally determined by the percentage of loss compared to the producer's actual yield history. Eligible production losses are paid at 55 percent of the established value for the crop.

Application deadline dates for specific NAP qualifying crops are listed.

- The deadline date for forage crops, including most spring planted forages and pasture land forages not covered by federal crop insurance, is September 30, 2012.
- September 30, 2012 is the application closing date for winter and spring plantings of wheat, rye and mint.
- Perennial crop deadlines on fruit and other crops such as apples, pears, blueberries, strawberries, grapes, honey, maple sap, asparagus and other perennial fruits is November 20, 2012.

Producers with NAP coverage must remember to timely file acreage reports and or inventories, and keep track of harvested production using acceptable methods. A "Notice of Loss" must also be filed within 15 days of when a loss is apparent, due to drought, hail, flood, etc. to qualify for NAP.

Producers interested in NAP are encouraged to contact their local FSA office to obtain coverage or for additional information on NAP prior to the above deadline dates.

2013 Change in Crop Reporting Deadline Dates

Producers need to be aware of crop reporting deadline changes that will begin for 2013 crops.

For 2013 perennial forages, there will be a fall crop reporting date in November, more information will be coming in the near future.

2013 fall seeded small grains will need to be reported by November 15, 2012. Perennial fruit crops, such as apples, cranberries, blueberries, maple sap and asparagus will need to be reported by January 15, 2013. In addition, honey needs to be reported by January 2, 2013.



USDA Disaster Designations

Due to the current natural disasters such as the unseasonably warm weather in the beginning of the year and the current drought, there have been several USDA disaster designations that Wisconsin producers need to be aware of so that those suffering losses can take advantage of low interest emergency loans.

On July 24, 2012, USDA designated 14 counties as disaster areas due to losses of maple syrup production, these counties include:

- Barron
- Lincoln
- Door
- Marathon
- Florence
- Marinette
- Shawano
- Forest
- Pierce
- Kewaunee
- Polk
- Langlade
- St. Croix
- Vilas

Contiguous counties include:

- Brown
- Oconto
- Burnett
- Oneida
- Chippewa
- Outagamie
- Clark
- Pepin
- Taylor
- Waupaca
- Dunn
- Portage
- Iron
- Price
- Manitowoc
- Rusk
- Menominee
- Sawyer
- Washburn
- Wood

On July 25, 2012, USDA designated the below counties as disaster areas due to damage and losses caused by drought, these counties include:

- Adams
- Crawford
- Dodge
- Grant
- Green Lake
- Jefferson
- Lafayette
- Milwaukee
- Racine
- Rock
- Walworth
- Waukesha
- Columbia
- Dane
- Fond du Lac
- Green
- Iowa
- Kenosha
- Marquette
- Ozaukee
- Richland
- Sauk
- Washington

Contiguous counties include:

- Calumet
- Portage
- Waushara
- Sheboygan
- Juneau
- Vernon
- Winnebago

The counties announced in the Disaster Designation have the opportunity to access low interest emergency loans through FSA. These loans are available to producers who have suffered qualifying damages or losses due to natural disasters.

Actual loss loans for producers' losses will be based on the disaster year production compared to the previous three year production history. The actual loss loans for physical damages to property destroyed or damaged will be based upon the allowable cost associated with repairing or replacing the property destroyed or damaged. In addition, the damaged or destroyed property must be essential to the continuation of the operation. Interest rates for actual loss loans that do not exceed \$500,000 will be 2.25 percent.

The deadline to file for a disaster loan due for maple syrup losses is March 24, 2013.

The deadline to file for a disaster loan for losses and damages due to drought is March 25, 2013.

USDA Changes to Aid Farmers Impacted by Drought Crisis

Secretary Tom Vilsack announced another helpful change in August, this one made by the Risk Management Agency (RMA), that livestock producers especially should appreciate. For the 2012 crop year, RMA intends to allow haying and grazing of cover crops without affecting the insurability of planted 2013 spring crops. This means farmers can plant a cover crop without foregoing crop insurance coverage in 2013, thus giving producers another opportunity to grow needed forage and feed for this fall and winter.

Producers need to contact their insurance agents before proceeding with planting of a cover crop to ensure that all requirements are followed to maintain crop insurance for spring planting.

A second change announced during the Secretary's weekly update of the drought crisis of 2012 was the commitment from the Farm Service Agency (FSA) to change the





emergency loan program so that farmers and ranchers are eligible to apply earlier in the disaster recovery process. Previous to this change, emergency loan eligibility was based on crop losses that were determined after the production cycle; loan amounts were based on production during normal years. With these changes, producers no longer are required to wait until the end of the production cycle to obtain a loan. That means livestock producers needing assistance today to offset increased feed costs don't have to wait. However, before making any plans to plant crop cover, producers should consult with their insurance agent, according to RMA.

FSA Financial Services Website Available to Producers

The Financial Services website is available for producers to conveniently view financial information and conduct FSA business. The website located at www.fsa.usda.gov/fmi is accessible to producers who have an e-Authentication Level 2 account.

Producers who do not currently have an account may register for an e-Authentication Level 2 account at www.eauth.egov.usda.gov.

The Financial Services website allows producers to view summary and detailed information about specific payments, collections, outstanding debt (excluding loans) and CCC-1099-G statements. This information can be helpful for record keeping and income tax preparation.

If you have any questions about accessing the Financial Services website or obtaining an e-Authentication Level 2 account, contact your local FSA county office.

ANNUAL NOTIFICATIONS

Civil Rights/Discrimination Complaint Process

As a participant or applicant for programs or activities operated or sponsored by USDA you have a right to be treated fairly. If you believe you have been discriminated against because of your race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal,

or because all or part of an individual's income is derived from any public assistance program, you may file a discrimination complaint. The complaint should be filed with the USDA Assistant Secretary for Civil Rights within 180 days of the date you became aware of the alleged discrimination. To file a complaint of discrimination, write USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.

Changing Bank Accounts

All FSA payments should be electronically transferred into your bank account. In order to make timely payments, you need to notify the office if you close your account or if your bank is purchased by another financial institution. Payments can be delayed if we are not aware of changes to account and routing numbers.

Power of Attorney

For those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., FSA has a power of attorney form available that enables you to designate another person to conduct your business at the office. If you are interested, please contact our office or any Farm Service Agency office near you for more information.

Special Accommodations

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office directly or by phone.

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 the office as soon as possible. You need to provide a copy of your deed or recorded land contract 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. Update signature authoriza-

tion when changes in the operation occur. Producers are reminded to contact the office of a change in operations on a farm so that records can be kept current and accurate.

Controlled Substance

Program participants convicted under federal or state law of any planting, cultivating, growing, producing, harvesting or storing a controlled substance are ineligible for program payments and benefits. If convicted of one of these offenses, the program participant shall be ineligible during that crop year and the four succeeding crop years for direct and countercyclical payments, price support loans, loan deficiency payments, market loan gains, storage payments, farm facility loans, Non-insured Crop Disaster Assistance Program payments or disaster payments. Program participants convicted of any federal or state offense consisting of the distribution (trafficking) of a controlled substance shall, at the discretion of the court, be ineligible for any or all program payments and benefits:

- for up to 5 years after the first conviction
- for up to 10 years after the second conviction
- permanently for a third or subsequent conviction

Program participants convicted of federal or state offense for the possession of a controlled substance shall be ineligible, at the discretion of the court, for any or all program benefits, as follows:

- up to 1 year upon the first conviction
- up to 5 years after a second or subsequent conviction

Farm Service Agency (FSA) and Risk Management Agency (RMA)

To prevent fraud, waste, and abuse FSA supports the RMA in the prevention of fraud, waste and abuse of the Federal Crop Insurance Program. FSA has been, and will continue to, assist RMA and insurance providers by monitoring crop conditions throughout the growing season. FSA will continue to refer all suspected cases of fraud, waste and abuse directly to RMA. Producers can report suspected cases to the county office staff, the RMA office, or the Office of the Inspector General.

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. 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 percent 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.

Payment Eligibility and Payment Limitation Average Adjusted Gross Income

For commodity and disaster programs, the Adjusted Gross Income (AGI) limitation is based on a three-year average non-farm AGI of \$500,000 such that a person or entity shall not be eligible for such programs if the non-farm AGI exceeds \$500,000. In addition, an individual or entity must have a 3-year average AGI less than or equal to \$750,000 per year from farm income in order to qualify for direct payments issued under the Direct and Counter-cyclical Program. A \$1 million average AGI limitation, in addition to the \$500,000 average nonfarm AGI and the \$750,000 average farm AGI limitations, will now be applied to all persons and legal entities that request 2012 direct payments. For conservation programs, the average nonfarm AGI limitation is \$1 million or less for eligibility. However, an individual or entity who has non-farm AGI in excess of \$1 million remains eligible for conservation programs only if 66.66 percent or more of the total AGI is derived from farming, ranching and forestry operations. In addition, the AGI limitation for conservation programs may be waived on a case-by case basis if it is determined that environmentally sensitive land of special significance would be protected.

Payment Eligibility

Program payments are limited by direct attribution to individuals or entities. A legal entity is defined as an entity created under Federal or State law that owns land or an agricultural commodity, product or livestock. Through direct attribution, payment limitation is based on the total payments





received by the individual, both directly and indirectly. Qualifying spouses are eligible to be considered separate persons for payment limitation purposes, rather than being automatically combined under one limitation. Individuals and entities must be “actively engaged in farming” with respect to a farming operation in order to be eligible for specified payments and benefits. To be “actively engaged in farming,” the individual or entity must make significant contributions to the farming operation of: (1) capital, equipment, land, or a combination; and (2) personal labor or active personal management, or a combination.

Payments and benefits under certain FSA programs are subject to some or all of the following:

- payment limitation by direct attribution
- payment limitation amounts for the applicable programs
- actively engaged in farming requirements
- cash-rent tenant rule
- foreign person rule
- average AGI limitations

No program benefits subject to limitation will be provided until:

- all required forms for the specific situation are provided
- necessary payment eligibility and payment limitation determinations are made

If any changes occur that could affect an actively engaged in farming, cash-rent tenant, foreign person, or average Adjusted Gross Income (AGI) determination, producers must timely notify the County Office by filing revised farm operating plans and/or supporting documentation, as applicable. Failure to timely notify the County Office may adversely affect payment eligibility.

Reconstitutions

For FSA program purposes, tracts having the same owner and the same operator are grouped under one farm serial number. When changes in ownership or operation take place, a farm reconstitution is necessary. The reconstitution or recon is the process of combining or dividing farms or tracts of land based on the farming operation. Remember, to be effective for the current year, recons must be requested by August 1 for farms enrolled in specific programs. The following are the different methods used

when doing a farm recon:

- Estate Method - the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;
- Designation of Landowner Method – may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;
- DCP Cropland Method - the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;
- Default Method - the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

Note-- Reconstitutions must be requested by August 1 of the fiscal year for farms subject to DCP.

Signature Policy

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits. The following are FSA signature guidelines:

- A married woman shall sign her given name: Mrs. Mary Doe, not Mrs. John Doe
- For a minor, FSA requires the minor's signature and one from an eligible parent

Note, by signing the applicable document, the parent is liable for actions of the minor and may be liable:

- for refunds, liquidated damages, etc
- When signing on one's behalf the signature must agree with the name typed or printed on the form, or be a variation that does not cause the name and signature to be in disagreement. Example - John W. Smith is on the form. The signature may be John W. Smith or J.W.

Smith or J. Smith. Or Mary J. Smith may be signed as Mrs. Mary Joe Smith, M.J. Smith, Mary Smith, etc

- FAXED signatures will be accepted for certain forms and other documents provided the acceptable program forms are approved for FAXED signatures. Producers are responsible for the successful transmission and receipt of FAXED information.



Examples of documents not approved for FAXED signatures include:

- Promissory note
- Assignment of payment
- Joint payment authorization
- NAP actual production history and approved yield record
- Acknowledgement of commodity certificate purchase
- Financing statement
- UCC financing statement
- Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office
- Spouses shall not sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities
- All members of a general partnership must sign for the general partnership unless an individual is authorized to act on the behalf of the general partnership and bind all members
- Spouses may sign on behalf of each other's individual interest in a partnership, unless notification denying a spouse that authority is provided to the county office
- Acceptable signatures for general partnerships, joint ventures, corporations, estates, and trusts shall consist of an indicator "by" or "for" the individual's name, individual's name and capacity, or individual's name, capacity, and name of entity.

For additional clarification on proper signatures contact your local FSA office.

Conservation Compliance

All USDA program participants are required to have a conservation system in place on all highly erodible land (HEL). Renting new cropland, purchasing new land, breaking up additional land, changing crops, and changing or removing existing conservation practices can result in compliance issues.

Contact your Farm Service Agency county office before taking any of the above actions. It is also important that you contact FSA before modifying, tilling, draining, dredging, filling or leveling any wetland or drainage ditches. Failure to obtain advance approval for any of these activities can result in loss of all federal payments and program eligibility.

CRP - Annual Certification

Before an annual rental payment can be issued, participants must certify to contract compliance using the FSA-578, Report of Acreage, or CCC-817U, Certification of Compliance for CRP.

Dates to Remember	
September 30, 2012	-Deadline to obtain 2013 NAP coverage for winter & spring planting of winter wheat, rye & mint -Deadline for 2013 NAP coverage for forage crops, including pasture land forage, ginseng, sod, Christmas trees, aquaculture - Deadline to report CRP acres emergency hayed and report tonnage harvested
October 8, 2012	Columbus Day Holiday, FSA offices closed
November 1, 2012	-MILC program participants deadline to provide dairy operation's final production evidence
November 5, 2012	COC election ballots mailed to eligible producers
November 12, 2012	Veteran's Day, FSA offices closed
November 15, 2012	Crop reporting deadline for perennial forages & fall seeded grains
November 20, 2012	Deadline to obtain 2013 NAP coverage for perennial crops such as apples, pears, blueberries, strawberries, grapes, honey, maple sap, asparagus & other perennial fruits
November 22, 2012	Thanksgiving Holiday, FSA offices closed
November 30, 2012	-Deadline to remove livestock from approved emergency grazed CRP acres - Deadline to report CRP acres emergency grazed and number of livestock grazed
December 3, 2012	Last day to return COC election ballots to local FSA offices
December 25, 2012	Christmas Holiday, FSA offices closed
January 1, 2013	New Years Holiday, FSA offices closed
January 2, 2013	Honey acreage reporting deadline
January 15, 2013	Crop reporting deadline for perennial fruits & vegetables
January 21, 2013	MLK, Jr. Birthday, FSA offices closed
February 18, 2013	Washington's Birthday, FSA offices closed
March 24, 2013	Deadline to file for a disaster loan for maple syrup production loss
March 25, 2013	Deadline to file for a disaster loan for loss and damage due to drought

Civil Rights/Discrimination Complaint Process As a participant or applicant for programs or activities operated or sponsored by USDA you have a right to be treated fairly. If you believe you have been discriminated against because of your race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program, you may file a discrimination complaint. The complaint should be filed with the USDA Assistant Secretary for Civil Rights within 180 days of the date you became aware of the alleged discrimination. To file a complaint of discrimination, write USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.