June 2012

Sherman County FSA Office

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Hours
Monday - Friday
7:30 a.m. - 4:30 p.m.

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County Committee Nominations

County committee nominations are open from June 15, 2012 through August 1, 2012. The election of agricultural producers to Farm Service Agency county committees is important to ALL farmers and ranchers. Every eligible producer should participate in these elections to strengthen the link between the agricultural community and the U.S. Department of Agriculture.

County committee members are a critical component in the delivery of FSA services and programs at the local level. Farmers and ranchers who serve on county committees help with key decisions on programs in their counties and work to ensure FSA agricultural programs serve the needs of local producers.

Operating within official regulations designed to carry out federal laws, FSA county committees apply their local knowledge to make key program administration decisions.

For more information just contact your local FSA office.

Payment Limitations

Producers planning to participate in 2012 programs are required to complete and submit the **CCC-931** form**.** If changes have been made in farming operations from the prior year, the following forms may also need to be filed for payment eligibility and payment limitation purposes: **CCC-901** and **CCC-902**.

Contributions

All partners, stockholders or members with an ownership interest in the legal entity must make a contribution*****, whether compensated or **not** compensated, for active--

- personal labor,
- personal management,
- or a combination of active personal labor and active personal management to the farming operation;

*NOTE: There are exceptions for spouses.

Additional information on payment limitation is available at FSA county offices or online at: www.fsa.usda.gov

Compliance Check Methods

Compliance review and spot checks will again be performed during the 2012 crop year. This year, farms, contracts, deficiency loans and more will be selected for various reviews from a nationwide database of producers to achieve a valid statistical sampling of participating producers. Spot check selections are to be conducted based on a producer's participation in the Conservation Reserve Program, Direct and Counter-cyclical Program, Loan Deficiency Program and other programs.

State and county offices will view and print their producer spot check lists as posted on a designated website. If an entity is selected from the national database is no longer farming or participating in programs during the 2012 crop year, a notation shall be made on the spot check list. For more information about the new spot check selection procedure, feel free to contact your local office for additional clarification.

Loans for the Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to start, continue and expand agriculture production. Loans are available for operational needs or to help purchase or improve farms and ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for socially disadvantaged applicants.

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A socially disadvantaged applicant is an individual who has been subjected to racial, ethnic or gender prejudice because of his or her identity as a member of one of the groups described.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

Crop Reporting - Reminders

This annual requirement to report to the FSA office can be referred to as "crop reporting", "acreage reporting" or "crop certification." Filing an accurate and timely report for all crops and land uses, including failed acreage, can prevent loss of benefits for a variety of Farm Service Agency programs. All cropland on the farm must be reported to receive benefits from the Direct and Counter-Cyclical Program, marketing assistance loans and Loan Deficiency Payments programs.

The certification form **FSA-578, Report of Acreage**, must account for all cropland on a farm, whether idle or planted. The producer certification deadline is **June 30**.

CRP & NAP Certification

Conservation Reserve Program acreage must be reported to receive annual rental payments. Crop acreage for Non-insured Crop Disaster Assistance Program (NAP) must be reported.

Prevented Planting

Prevented planting is to be reported no later than 15 calendar days after the final planting date. Failure to report prevented planting acreage could result in loss of benefits for the SURE program or possibly other disaster assistance programs.

Failed Acreage

Reports of failed acreage must be filed before disposition of the crop and producers must be able to establish to the satisfaction of the county committee that the crop failed and was prevented from being replanted through the normal planting period because of natural disaster conditions.

Sodbusting

Farmers and ranchers should be aware that if they use highly erodible land for crop production without proper conservation measures, they risk losing eligibility to participate in Farm Service Agency programs.

Before producers clear, plow or otherwise prepare areas not presently under crop production for planting, they are required to file an **AD-1026,** indicating the area to be brought into production.

If Natural Resources Conservation Service indicates that the area will be highly erodible land, the producer will be required to develop and implement a conservation plan on the affected acreage before bringing land into production.

Farm Storage Facility Loan Program

The Farm Storage Facility Loan Program (FSFLP) allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The new maximum principal amount of a loan through FSFLP is $500,000. Participants are now required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. New loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department.

Payments are provided in the early partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount.

Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin.
For more information about FSFL please visit your FSA county office or www.fsa.usda.gov.

FSA Signature Policy

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

There are exceptions to the rule, where

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NOTICE TO HISPANIC AND/OR WOMEN FARMERS OR RANCHERS

COMPENSATION FOR CLAIMS OF DISCRIMINATION

If you believe that the United States Department of Agriculture (USDA) improperly denied farm loan benefits to you between 1981 and 2000 because you are Hispanic, or because you are female, you may be eligible to apply for compensation.

To register your name to receive a claims packet, call the Farmer and Rancher Call Center at 1-888-508-4429 or visit: www.farmerclaims.gov

The claims package will have detailed information about the eligibility and claims process.

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spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities.

Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents.

For more clarification on spousal signature authority, contact the local FSA office.

Beginning and Limited Resource Loans

FSA has a program to assist beginning farmers and members of socially disadvantaged groups to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for less than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county's median size.

Each member of an entity must meet the eligibility requirements. Loan approval is not guaranteed.

Additional program information, loan applications and other materials are available at the local USDA Service Center or visit www.fsa.usda.gov and www.nrcs.usda.gov .

Special Accommodations

Reasonable accommodations will be made, upon request, for individuals with disabilities, vision impairment, or hearing impairment to attend or participate in meetings or events sponsored by the Farm Service Agency. If you require special accommodations to attend or participate in one of our events, please call the FSA county office and we will be happy to make any needed arrangements.

GovDelivery – Free Reminders

The USDA Farm Service Agency offices are moving into paperless operation to save your tax payer dollars. Producers can now enroll in the new **GovDelivery** system to receive instant electronic deadline reminders, bulletins and newsletters direct to your email address. Now you don't have to wait for a printed newsletter only occasionally sent through the mail.

Producers can subscribe to receive free e-mail updates by visiting this free enrollment website: www.fsa.usda.gov/subscribe. You can also call your local Farm Service Agency office. Give it a try right now. All you need is an email address for yourself or a family member where you can receive the useful email updates.

Controlled Substances

Individuals 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 offensives, a current program participant shall be ineligible during that crop year and the four succeeding crop years for Direct and Counter-Cyclical 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 with a federal or state conviction 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 one year upon the first conviction
- up to five years after a second or subsequent conviction.

Banking Changes? – Let FSA Know to Prevent Payment Delays

If you changed banks and did not notified FSA, your payment could be delayed. Because payments are electronically transferred into your bank account, changes to your account and routing numbers need to be shared with FSA immediately. Also on FSA loans, to continue to make timely payments, you need to notify the office if you close your account or if another financial institution purchases your bank. It is important to remember that changes in a producer's account be provided to the county office promptly to avoid possible delays. Changes can include the type of account, bank mergers, new routing number or account numbers. Your county FSA office can help you avoid these problems if you will contact them in advance of any banking changes.

Selected Interest Rates for June	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	1.50%
Farm Ownership - Direct	3.625%
Limited Resource	5.00%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency	3.75%
Farm Storage Facility – 7 year	1.250%
Farm Storage Facility – 10 year	1.875%
Farm Storage Facility – 12 year	2.125%
Sugar Storage Facility	2.375%
Commodity Loans 1996-Present	1.125%

Dates to Remember	
June 1	2012 DCP Enrollment closes
June 1	Farm Record Changes Deadline
June 1	SURE Sign up ends
June 15	COC Nomination Period Opens
June 30	Acreage Report Deadline
July 15	Deadline to report ACRE production
Aug. 1	Last Day to file COC nomination form

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