



# NEWSLETTER



**November 2012**

## **Virginia State FSA Office**

**J. Calvin Parrish  
State Executive  
Director**

1606 Santa Rosa Rd  
Suite 138  
Richmond, VA 23229

804-287-1503 phone  
804-287-1723 fax

### **Hours**

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

### **State Staff**

Pete Adamson, Chief  
Farm Loans

Brent L. Whitlock, Chief  
Farm Programs

Connie Washburn-Marsh, Chief  
Administration

Linda Cronin, Public Affairs &  
Outreach Specialist

### **Virginia FSA Internet**

More Information about Virginia FSA  
programs, activities and news can be  
found on the VA FSA Internet at  
<http://www.fsa.usda.gov/va>

## **County Committee Voting Begins**

Ballots for this year's county committee election will be mailed to eligible voters on Nov. 5, 2012. Voters must complete their ballots and return them to the Farm Service Agency county office by the close of business on Dec. 3, 2012. If mailed, ballots must be postmarked by midnight Dec. 3, 2012.

The candidates in this year's election are:

[Candidate's Full Name] is nominated in LAA [#], [Name] County, to serve as a committee member. [Candidate's Last Name] resides at [Address] and produced [Crops] for [Number of years]

[He/She] is an active member of [Agricultural Organization] and serves as [Title of Office].

Eligible voters in a local administrative area [Insert Number] who have not received a ballot should contact the FSA county office staff.

**Voter Requirements** Persons meeting requirements in 1 or 2, plus 3, below, is eligible to vote:

1. Be of legal voting age and have an interest in a farm or ranch as any of the following:

- An individual
- The authorized representative of an entity
- Both spouses when property is owned jointly

• Spouses in community property states.

2. Is not of legal voting age, but supervises and conducts the farming operations on an entire farm.

3. Participates or cooperates in any FSA program that is provided by law.

**Discrimination Prohibited** No person shall be denied the right to vote because of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital or family status.

## **2011 Supplemental Revenue Assistance Program Applications**

The Farm Service Agency (FSA) will continue to accept SURE applications for 2011 crop losses through June 7, 2013. The SURE Program provides payments to producers when crop revenues are less than the crop guarantee. The SURE Program payment is equal to 60 percent of the difference between the crop guarantee and revenue.

To determine the guarantee and revenue for the SURE Program, all crops on all farms for a producer are included in the calculation. Payments under the SURE Program are limited to \$100,000.

To be eligible for the 2011 SURE Program, producers must have crop insurance on all insurable crops. For crops that are not covered by crop insurance such as pumpkins and cucumbers, producers must have purchased Non Insured Crop Disaster Assistance Program (NAP) coverage

at FSA. The Crop Insurance and NAP purchase requirement is waived for crops that are not economically significant to the farming operation. In addition, to be eligible the producer must have at least one crop with a 10 percent production loss.

For more information concerning the 2011 SURE program or other Farm Service Agency programs, contact your local FSA office or visit the Farm Service Agency website at [/www.fsa.usda.gov/pas/](http://www.fsa.usda.gov/pas/).

## **2013 Reporting of Forage, Grazed and Fall Seeded Crops**

All producers are reminded that the acreage reporting date for forage, grazed and fall seeded crops has changed, beginning with the crop planted for 2013 harvest. The new acreage reporting date is Nov. 15, 2012 for forage (hay) and grazed (pasture) crops. January 15 applies to all fall seeded crops including winter wheat, barley, oats, and rye. Also, apples and peaches must be reported by the January 15th deadline. Please call for an appointment to certify these crops.

### **NAP Coverage Deadlines**

Noninsured Crop Disaster applications are due at different times according to the crop being insured. Producers should apply for Noninsured Crop Disaster Assistance Program (NAP) coverage using form CCC-471 (Application for Coverage). Related service fees are due when the application is filed. The application and service fee **MUST** be filed by the crop sales closing date: November 20

Trees and Bushes and Vines, including: Apple, Peach, Pear, Blueberry, Strawberry, Caneberry and Grapes

December 1 - Honey and Maple Sap

February 15 - All other fruits and vegetables, course grains,

and all grasses and forages for hay and pasture.

Contact your local FSA office for the filing dates for your crops.

## **Hispanic and Women Farmer and Rancher Claims Period**

USDA has announced that Hispanic and women farmers and ranchers who allege discrimination by the USDA in past decades can file claims between Sept. 24, 2012 and March 25, 2013.

The process offers a voluntary alternative to litigation for each Hispanic or female farmer and rancher who can prove that USDA denied their applications for loan or loan servicing assistance for discriminatory reasons for certain time periods between 1981 and 2000.

As announced in February 2011, the voluntary claims process will make available at least \$1.33 billion for cash awards and tax relief payments, plus up to \$160 million in farm debt relief, to eligible Hispanic and women farmers and ranchers. There are no filing fees to participate in the program.

The Department will continue reaching out to potential Hispanic and female claimants, around the country to get the word out to individuals who may be eligible for this program so they have the opportunity to participate.

Call center representatives can be reached at 1-888-508-4429. Claimants must register for a claims package (by calling the number or visiting the website) and the claims package will be mailed to claimants. All those interested in learning more or receiving information about the claims process and claims packages are encouraged to attend meetings in your communities about the claims process and contact the website or claims telephone number.

Website: [www.farmerclaims.gov](http://www.farmerclaims.gov)

Phone: 1-888-508-4429

Claims Period: Sept. 24, 2012 - March 25, 2013.

Independent legal services companies will administer the claims process and adjudicate the claims. Although there are no filing fees to participate and a lawyer is not required to participate in the claims process, persons seeking legal advice may contact a lawyer or other legal services provider.

To read Secretary Tom Vilsack's entire news release click on the following link:

<http://www.usda.gov/wps/portal/usda/usdahome?contentid=2012/09/0309.xml&contentidonly=true>

## **Marketing Assistance Loans**

A Marketing Assistance Loan (MAL) is available for producers who share in the risk of producing the crop. To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of the date the loan is repaid or CCC takes title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if the producer regains beneficial interest.

Commodity loan eligibility also requires compliance with conservation and wetland protection requirements; beneficial interest requirements, acreage reporting and ensuring that the commodity meets Commodity Credit Corporation minimum grade and quality standards. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Producers do not have to participate in the Direct and Counter-Cyclical and/or ACRE Programs to be eligible for commodity loans.

Violating provisions of a marketing assistance loan may result in liquidated

damages, calling the loan and denial of future farm-stored loans.

## Unauthorized Disposition of Grain

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.

## FSA 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:

- 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

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

## Changing Banks

Almost all Farm Service Agency payments are made electronically using direct deposit.

To keep the system running smoothly, it's critical to keep the county office staff up to date on changes you might make in your financial institutions.

If you have changed accounts or institutions that might affect the direct deposit of your FSA payments, contact the FSA county office so we can

update our files to insure continued uninterrupted service.

## Increased Guaranteed Loan Limit

The Farm Service Agency has announced that the loan limit for the Guaranteed Loan Program has increased to \$1,302,000. The limit is adjusted annually based on data compiled by the National Agricultural Statistics Service.

The lending limit increases every year according to an inflation index. The maximum combined guaranteed and direct farm loan indebtedness has increased to \$1,602,000.

As a reminder, the one-time loan origination fee charged on FSA guaranteed farm ownership and operating loans is 1.5 percent of the guaranteed portion of the loan.

Producers should contact their local FSA County Offices with questions about farm loans.

## Rural Youth Loans

The Farm Service Agency makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5000.

Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements

- Reside in a rural area, city or town with a population of 50,000 or fewer people

- Be unable to get a loan from other sources

- Conduct a modest income-producing project in a supervised program of work as outlined above

- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms.

## Beginning and Limited Resource Farmers

FSA assists beginning farmers and or 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 not more 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.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit [www.fsa.usda.gov](http://www.fsa.usda.gov).

## Loans for the Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches.

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

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

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

## Selling Land

If you plan on selling farmland, you should be aware of several consequences associated with FSA programs. For example, if you're planning to sell land that's enrolled in the Conservation Reserve Program, the buyer must agree to continue the enrollment. If the buyer doesn't want to continue the CRP contract, you might have to refund all of the payments you've received to date.

Reviewing program implications with your local Farm Service Agency staff before completing a sale of farmland is always a prudent precaution.

## Farm Reconstitutions

When changes in farm 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.

The following are the different methods used when doing a farm recon. Remember, to be effective for the current year, recons must be requested by Aug. 1 for farms enrolled in the Direct and Counter-Cyclical Program.

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.

If DCP direct payments have already been issued on a particular farm, the reconstitution will be effective for the next year, unless the payments are refunded.

**Selected Interest Rates for  
September 2012**

90-Day Treasury Bill	0.125%
Farm Operating - Direct	1.125%
Farm Ownership - Direct	3.125%
Limited Resource Loans	5.0%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.5%
Emergency	2.125%
Farm Storage Facility – 7 year	1.125%
Farm Storage Facility – 10 year	1.750%
Farm Storage Facility – 12 year	2.0%
Commodity Loans 1996-Present	1.125%

**Dates to Remember**

Nov. 12	Veterans Day, Office Closed
Nov. 15	Last day to report 2013 forage (hay) and grazed (pasture) crops
Nov. 15	Last day to file 2012 NAP forage (hay) and grazed (pasture) crops production documentation, Notice of Losses and Application for Payments
Nov. 20	Sales closing date for 2013 NAP trees, bushes, vines & strawberries
Nov. 22	Thanksgiving Day, Office Closed
Dec. 1	Sales closing date for 2013 NAP honey & maple sap
Dec. 3	COC Ballots due to FSA Office
Dec. 25	Christmas Day, Office Closed
Jan. 1	New Years Day, Office Closed
Jan. 2	Last day to submit acreage reports with the number of colonies present in all counties for honey and maple tree acreage
Mar. 25	Hispanic and Women Farmer and Rancher Claims Period ends
Jun. 7	2013 SURE applications due