

July 2012



## Union County FSA Updates

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### Union County

**Union County FSA Office**  
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La Grande, OR 97850

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**County Committee**  
**Lisa Eisiminger, Chair**  
**Guy Weishaar, Vice Chair**  
**Terry Puckett, member**  
**County Executive Director:**  
Jennifer Isley

**Program Technicians:**  
Tim Hines  
Tara Hett

### FSA COC Nomination Deadline

County committees (COC) play a crucial role in helping county office staff implement Farm Bill programs. Producers can participate in the FSA county committee election process by nominating an eligible candidate by the Aug. 1, 2012, deadline.

To become a nominee, eligible individuals must sign form FSA-669A. The form and more information about FSA county committee elections is available at:

<http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/FSA669-A.PDF>

During their three-year terms, FSA county committee members make decisions on disaster and conservation programs, emergency programs, commodity price support programs and more.

Nationwide, more than 7,800 farmers and ranchers serve on FSA county committees. Committees consist of three to five members who are elected by eligible local producer voters.

### Over the Counter Channel (OTCnet)

FSA/CCC is implementing OTCnet, an electronic method for processing customer check payments. When a check is submitted for payment either in person or through the mail, the check will be converted into an Electronic Funds Transfer (EFT). Within 24 hours, the funds may be debited from the producer's account. Please see the U.S. Department of Treasury notices posted in the Service Center or visit the following Department of Treasury site for detailed information:

<http://fms.treas.gov/otcnet/legal.html>

#### What is OTCnet?

OTCnet is a web-based online application process for converting paper checks presented to FSA into electronic debits to the producer's checking account. Benefits include reducing lost/misplaced checks, less paper handling, improved customer relations, more efficient check clearing process and reducing the potential for human error.

#### How will my check be handled?

The check will be scanned into the system and voided. The customer will not receive the check back from FSA. FSA will hold checks for up to 14 calendar days to ensure that the item was successfully processed, and then FSA will shred the check.

#### How quickly will funds be transferred from my account?

The transfer of funds from your account could occur within 24 hours. Therefore, you should be sure that you have sufficient funds in your account to process the transaction. If you do **not** have sufficient funds, we may initiate the transaction again.

#### How will this transaction appear on my account statement?

The transfer of funds reflected on your account statement may be recorded in a different place on your statement. The transaction may appear under "withdrawals" or "other transactions".

#### What are my rights if there is a problem with the transaction?

You have protections under Federal law for an unauthorized electronic fund transfer from your account. You should contact your financial institution immediately if you believe that a transaction reported on your account statement was not properly authorized or is otherwise incorrect.

### Farm 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.

### Foreign Landowner Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign persons who have purchased or sold agricultural land in the county to report the transaction to FSA with 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, real estate agents, attorneys and others involved in real estate transactions are advised to notify foreign investors of these reporting requirements.

### **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 to purchase or improve farms or ranches. While all qualified producers are eligible to apply for these loan programs, FSA has provided priority funding for socially disadvantaged applicants.

A socially disadvantaged applicant is a member of a group that has been subjected to racial, ethnic or gender prejudice because of his or her identity as a group member 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.

If producers or their spouses believe they would qualify as socially disadvantaged, they should contact their local FSA office for details. FSA loans are available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

### **Successor-In-Interest**

Many FSA programs will allow payments to be made to heirs or successors when a program participant passes away. Additionally, contracts in programs such as CRP must be revised to reflect the successor(s) to a deceased participant's interest.

In the event of an FSA program participant's death, it is important that FSA be notified. Entities and joint operations that participate in FSA programs also need to notify FSA if a shareholder or member passes away. FSA benefits are reported to IRS and maintaining current, accurate participant records is vital to ensuring that those payments are reported correctly.

### **Highly Erodible Lands and Wetland Compliance**

Producers participating in most programs administered by the Farm Service Agency (FSA) and the Natural Resources Conservation Service (NRCS) are required to abide by certain stipulations on any land owned or farmed that is highly erodible or that is considered a wetland.

To be in compliance with the highly erodible land conservation and wetland conservation provisions, producers must agree, that they **will not**:

- Produce an agricultural commodity on highly erodible land without a conservation system;
- Plant an agricultural commodity on a converted wetland;
- Convert a wetland to make possible the production of an agricultural commodity.

Producers must notify the FSA and update Form AD-1026 if they plan to remove fence rows, convert woodlots to cropland, combine crop fields, divide a crop field into two or more fields, install new drainage, or improve or modify existing drainage. FSA will notify NRCS who will then provide highly erodible land or wetland technical determinations.

To get additional information on highly erodible land and wetland conservation compliance contact the FSA office or the NRCS office at a local USDA Service Center. Additional information about conservation programs offered by FSA can be found online at [www.fsa.usda.gov/conservation](http://www.fsa.usda.gov/conservation), and information on NRCS programs can be found at <http://www.nrcs.usda.gov>.

### **Dates to Remember**

- August 1 Deadline to submit nominating  
petition for County Committee.
- Sept. 3 Labor Day –office closed

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