



NEWSLETTER



January 2012

Virginia State FSA Office

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State Executive
Director

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Hours

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

State Staff

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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>

FSA Adopting GovDelivery

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

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

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

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

Producers can now subscribe to receive free e-mail updates by going to <http://www.fsa.usda.gov/subscribe>.

New Year's Resolution – CONSERVATION

Across the Chesapeake Bay watershed and throughout Virginia, streams, rivers, and the Bay waters continue to degrade due in part to polluted stormwater runoff from both urban and rural landscapes. Sadly, high nutrient and sediment levels, lack of a tree canopy and other factors lead to streams that cannot sustain the ecosystems that clean waters can support.

The good news: USDA's Farm Service Agency, in cooperation with

other federal, state, and private partners, offers a conservation program to help local landowners improve stream conditions.

The Conservation Reserve Enhancement Program (CREP) in Virginia provides cost share payments and yearly payments to landowners and farm operators to establish conservation practices which improve water quality and provide wildlife habitat.

CREP's forested stream buffer is a highly popular conservation practice. Since the program's inception in 2000, approximately 3,500 farmers and landowners have installed forested buffers using the program because of its high financial payoff, pasture management opportunities and environmental benefits. CREP also offers participants the flexibility to opt for a grass or shrub buffer, instead of trees.

To qualify for a CREP forested buffer, the land along the stream must be primarily non-forested. Cropland and pastureland are both eligible for enrollment in the program. Either a landowner or a tenant can offer land into the CREP and receive the technical guidance and financial incentives to implement a conservation practice that is needed on their land.

CREP is one of the best economic incentive packages for practicing conservation in Virginia. Various federal, state and non-governmental agencies offer programs to assist landowners with conservation efforts, such as wildlife habitat restoration or water quality

improvement efforts. But CREP offers a generous financial compensation package to participants, exceeding what most other programs can provide.

Forested buffers provide a tool for improving fish habitat in streams. Buffers increase the shade over a stream, which makes the water cooler. Temperature is more constant throughout the year. The buffers also filter sediment and other pollutants from runoff, which ensures clean water. Buffers also create woody debris in the water, which provides habitat and food for stream insects, which in turn establishes a food source for fish. Many species of aquatic wildlife benefit from the conditions which are provided by a streamside, forested buffer.

Streamside buffers or "riparian zones" are among the most used areas for a variety of wildlife, both aquatic and terrestrial. The key component in the buffers is the establishment of native trees and shrubs. The USDA Natural Resource Conservation Service (NRCS) and the Virginia Department of Forestry collaborate to provide a Conservation Plan of Operations which includes recommendation for tree species based on the farm's needs and the participant's goals, as well as the soil and other site conditions. Plants that are established in the riparian zone provide seeds, acorns, berries, nesting habitat and shelter for birds and animals.

The minimum buffer width from the top of the streambank is 35 feet per side of stream. For livestock producers, improved options for pasture management are a major benefit. CREP will provide quality fencing, stabilized crossings, and alternative water sources as part of buffer projects. USDA will share the cost of installing a well, pipeline, and troughs to provide a clean and safe water source for livestock. A multitude of water-borne pathogens

threaten the health of livestock that drink from contaminated water. For this reason, forested buffers are a vital component of herd health as cattle are removed from the contaminated and often unreliable water source and provided a clean, safe water source.

Farmers with no grazing livestock also are eligible to enroll streamside areas. Row-crop producers also benefit by enrolling marginal cropland, field borders, and low or wet areas of the crop field. Annual rental payments are provided on cropland and pastureland, up to \$100 per acre.

Landowners interested in enrolling in CREP may call their local Farm Service Agency office and ask to make an appointment to sign up. Ask about Practice CP-22, the forested stream buffer.

Signing up is not an obligation to enroll in the program. Call if you are interested in more information or to request some scenarios of what your farm could look like with riparian or grass buffers and the financial benefits you could earn.

For more information, or to sign up, call this office at the local FSA Office.

Supplemental Revenue Assistance Program (SURE)

The sign-up for 2010 losses runs through **June 1, 2012**.

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters that incurred in the crop year 2010. SURE is available to eligible producers on:

- Farms in counties with Secretarial disaster declarations, including contiguous counties, that have incurred crop production or quality losses, or both, and includes all crops grown by a producer nationwide, except grazed crops.

- Any farm in which, for the crop year, the actual production on the farm because of disaster-related conditions is 50 percent or less than normal production of the farm.

Noninsured Crop Disaster Assistance Program (NAP)

The noninsured crop disaster assistance program (NAP) is a federally funded program that helps producers reduce their risk when growing food and fiber crops, specialty crops and crops for livestock feed. These benefits are only available for crops for which the catastrophic level of crop insurance is not available. Application for coverage must be filed by the applicable crop's application closing date.

Production records for all crops must be reported to FSA no later than the acreage reporting date for the crop for the following year. FSA requires that any production reported in a loss year be verifiable according to Agency specifications. ***NAP Losses must be reported within 15 days of loss.***

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. The Farm Service Agency administers this program for USDA.

All individuals who are not U.S. citizens, and have purchased or sold agricultural land in the county are required to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form (FSA-153) 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.

Farming Operation Changes

If you have bought or sold land, or if you have added 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. Making the record changes now will save you time in the spring. Update signature authorization 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.

Highly Erodible Land and Wetland Conservation Compliance

Landowners and operators are reminded that in order to receive payments from USDA, compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions are required. Farmers with HEL determined soils are reminded of tillage, crop residue, and rotation requirements as specified per their conservation plan. Producers are to notify the USDA Farm Service Agency prior to conducting land clearing or drainage projects to insure compliance. Failure to obtain advance approval for any of these situations can result in the loss of eligibility and all Federal payments.

Controlled Substance

Any person who is convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant. Prohibited plants include marijuana, opium, poppies and other drug producing plants.

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 staff directly or by phone.

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.

Bank Account Changes

Current policy mandates that FSA payments be electronically transferred into your bank account. In order for timely payments to be made, producers need to notify the FSA county office if your account has been changed or if another financial institution purchases your bank. Payments can be delayed if the FSA office is not aware of updates to your account and routing numbers.

Appeal Process

After an FSA official makes a decision on your request for USDA services or application, you will be sent a letter informing you of the decision and options you can pursue if you disagree.

Generally, program participants have three choices — an informal review with the original agency decision-maker, an opportunity for mediation and finally an appeal to the next level of authority within the agency.

IRS Form 1099-G

Producers annually receive CCC-1099-Gs detailing payments producers have received from the Commodity Credit Corporation. The annual report of program payments on the CCC-1099-G is a service intended to help our customers report taxable income. It is not intended to replace the producers' responsibilities to report income to IRS.

FSA staff cannot interpret IRS regulations or advise producers about which payments to report on their income tax returns. However, county office staff can review payments for accuracy.

Commodity Loans

Commodity loans, also referred to as Marketing Assistance Loans, are available to producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop through the time of application. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if you regain beneficial interest.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans. The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

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 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, feel free to contact your local FSA office.

Customer Statement

January signals the beginning of a new year, and a time to starting thinking about filing taxes. Producers who have signed up for a USDA eAuthentication Level 2 account will be able to access their farm data via their Customer Statement.

The Customer Statement puts a range of USDA services and programs into a single report that's at your fingertips and available online, 24 hours a day, seven days a week.

It allows USDA customers to view their participation, application and payment status in various commodity and conservation programs; information on farm loans; and conservation plan and land unit information.

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PRESORTED STANDARD
 U.S. POSTAGE PAID
 CITY, STATE
 PERMIT #XXX

Selected Interest Rates for September 2011

90-Day Treasury Bill	0.125%
Farm Operating Loans - Direct	1.50%
Farm Ownership Loans - Direct	3.5%
Limited Resource Loans	5.0%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.5%
Emergency Loans	3.75%
Farm Storage Facility Loans	1.375%
Commodity Loans 1996-Present	1.125%

Dates to Remember

Underway	Signup for 2010 SURE
Continues	Continuous Conservation Reserve Program

USDA is an equal opportunity provider and employer.