



NEWSLETTER



May 2011

Virginia State FSA Office

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

2011 FSA County Committee Elections

The election of agricultural producers to Farm Service Agency (FSA) county committees is important to all farmers and ranchers, whether beginning or long-established, large or small operation. It is crucial that every eligible producer participate in these elections because FSA county committees are a link between the agricultural community and the U.S. Department of Agriculture.

County Committee (COC) members are a critical component of FSA operations. The intent is to have the COC reflect the makeup of the producers and to represent all constituents. This means wherever possible, minorities, women or lower income producers need to be on the committee to speak for these underrepresented groups.

County committees provide local input on:

- Commodity price support loans and payments
- Conservation programs
- Incentive, indemnity and disaster payments for some commodities
- Emergency programs
- Payment eligibility

FSA county committees operate within official regulations designed to carry out federal laws. County committee members apply their judgment and knowledge to make local decisions.

Election Period

June 15, 2011 - The nomination period begins.
Aug. 1, 2011 - Last day to file nomination forms (FSA-669A) at the local USDA Service Center

Nov. 4, 2011 - Ballots mailed to eligible voters
Dec. 5, 2011 - Last day to return voted ballots to the USDA Service Center

Jan. 2, 2012 - Newly elected county committee members take office

Who Can Hold Office

To hold office as a county committee member, a person must meet the basic eligibility criteria

- Participate or cooperate in a program administered by FSA
- Be eligible to vote in a county committee election
- Reside in the Local Administrative Area (LAA) in which the person is a candidate

Not have been:

- Removed or disqualified from the office of county committee member, alternate or employee
- Removed for cause from any public office or have been convicted of fraud, larceny, embezzlement or any other felony
- Dishonorably discharged from any branch of the armed services

Nominations

To become a nominee, eligible individuals must sign nomination form FSA-669A. The form includes a statement that the nominee agrees to serve if elected. This form is available at USDA Service Centers and online at http://www.fsa.usda.gov/Internet/FSA_File/fsa0669a_committeeelectform.pdf

Nomination forms for the 2011 election must be postmarked or received in the local USDA Service Center by close of business Aug. 1, 2011.

Agricultural producers who participate or cooperate in an FSA program may be nominated for candidacy for the county committee. Individuals may nominate themselves or others as a candidate.

Additionally, organizations representing minority and women farmers or ranchers may nominate candidates. Nomination forms are filed for the county committee of the office that administers a producer's farm records.

Who Can Vote

Agricultural producers of legal voting age may be eligible to vote if they participate or cooperate in any FSA program. A person who is not of legal voting age but supervises and conducts the farming operations of an entire farm may also be eligible to vote. More information about voting eligibility requirements can be found in the FSA fact sheet titled "FSA County Committee Election - Eligibility

to Vote and Hold Office as a County Committee Member.” Producers may contact their local USDA Service Center for more information.

DCP Sign-up Deadline

Enrollment for the 2011 Direct and Counter-cyclical Program (DCP) will continue through June 1, 2011. USDA urges producers to make use of the eDCP automated website to sign up, or producers can visit any USDA Service Center to complete their 2011 DCP contract.

USDA computes DCP Program payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2011, eligible producers may request advance direct payments based on 22 percent of the direct payment.

For more information on this or other programs, simply contact the nearest FSA office.

ACRE Program

The Average Crop Revenue Election (ACRE) offers producers an alternative to Direct and Counter-cyclical (DCP) payments. The ACRE alternative provides eligible producers a state-level revenue guarantee, based on the five-year state Olympic average yield and the two-year national average price.

ACRE payments are made when both state- and farm-level triggers are met. By participating in ACRE, producers forgo counter-cyclical payments. Producers also agree to receive a 20 percent reduction in direct payments

and a 30 percent reduction in loan rates.

A decision to elect ACRE binds the producer to the program through the 2012 crop year, the last crop year covered by the 2008 Farm Bill. For more details contact the local FSA office

SURE Program

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disaster through Sept. 30, 2011. Sign-up for 2009 SURE began January 10, 2011, and is scheduled to end

July 29, 2011. To be eligible for SURE payments, a producer is required to obtain crop insurance on all crops in all counties or, if crop insurance is not available, to participate in the Non-Insured Assistance Program (NAP) except for grazed acreage. However, crop insurance or NAP coverage is no longer required for crops that are not of economic significance or those where the administrative fee required to buy NAP coverage exceeds 10 percent of the value of the coverage.

Eligible farmers and ranchers who meet the definition of socially disadvantaged, limited resource, or beginning farmer or rancher are exempt from the risk management purchase requirement.

The following are the conditions that trigger SURE payments:

- At least one crop of economic significance must suffer a 10 percent production loss due to an eligible disaster condition
- Crop of economic significance is a crop that has contributed or would have contributed at least 5 percent or more of the total expected revenue from all crops on the farm
- Producers in counties declared disaster counties by the Secretary of Agriculture, or in contiguous counties, or those who show proof of an individual loss of at least 50 percent are eligible to receive SURE payments for crop producer or crop quality losses. Losses are measured with consideration to the whole farm revenue, which includes crop insurance indemnities and commodity program payments, so that producers are not paid more than once for the same loss

A SURE calculator is available at <http://www.fsa.usda.gov/FSA/webapp?area=home&subject=diap&topic=sure>. The calculator is not official, but is intended for educational use. A fact sheet and backgrounder are also available online.

Livestock Indemnity Program

The Livestock Indemnity program (LIP) is an ongoing livestock disaster program aimed at

producers who have lost livestock due to an adverse weather condition through September 30, 2011. A producer has until 30 days after the disaster event occurred or loss of the livestock is apparent to file a Notice of Loss with the County Office. A Notice of Loss may be accepted either by telephone, fax, e-mail, or in person. Due to adverse weather conditions, such as excessive snow and extremely cold temperatures on or about January 30 through February 6 and beyond, livestock producers may be eligible for LIP benefits if eligibility requirements are met. To be eligible for LIP, a livestock producer must have owned the eligible livestock on the day the livestock died and the livestock must have been maintained for commercial use as part of a farming operation.

Applicants must provide adequate proof that the eligible livestock deaths occurred as a direct result of an eligible adverse weather event for which benefits are being requested. The quantity and kind of livestock that died as a direct result of the eligible disaster event may be documented by: purchase records, veterinarian records, bank or other loan documents, rendering truck receipts of certificates, Federal Emergency management Agency records, National Guard records, written contracts, production records, records assembled for tax purposes, property tax records, private insurance documents, and similar documents.

BCAP Proposal Deadline

Project area proposals for the Biomass Crop Assistance Program (BCAP) must be submitted to the Virginia Farm Service Agency state office by close of business, **May 27, 2011.**

BCAP provides incentives to eligible farmers, ranchers and forest landowners for the establishment and production of biomass crops for heat, power, bio-based products and biofuels. BCAP project areas are specific geographic areas where producers grow eligible biomass crops. Producers then receive annual payments for growing those crops.

For more information, visit the USDA Farm Service Agency's website at www.fsa.usda.gov/bcap or contact Kelly Novak at 202-720-4053 or cepdmail@wdc.usda.gov. The BCAP project area proposal submission form is available online at BCAP Form 20 (PDF, http://www.fsa.usda.gov/Internet/FSA_File/bcap_form_20.pdf)

ELAP Assistance

Emergency Assistance for livestock, honeybee and farm-raised fish program (ELAP) sign-up for 2011 losses is under way. Producers with 2011 (January 1, 2011 through September 30, 2011) losses must file an ELAP application no later than Jan. 30, 2012. They also must file a notice of loss within 30 calendar days of when the loss is apparent to the producer or Oct. 31, 2011, whichever date is

earlier. ELAP benefits related to 2011 losses are expected to be issued in early 2012.

Hispanic and Women Farmers

A process to resolve the claims of Hispanic and women farmers and ranchers who believe they were discriminated against when seeking USDA farm loans has been established.

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.

For additional information on this and other settlement issues contact:

• **Hispanic and Women Farmer Claims Process, please visit:**

www.farmerclaims.gov
or call 1-888-508-4429

• **Pigford – The Black Farmers Discrimination Litigation, please visit:**

www.blackfarmcase.com
or call 1-866-950-5547

• **Keepseagle - The Native American Farmers Class Action Settlement please visit:**

www.IndianFarmClass.com
or call 1-888-233-5506

NAP Records

Production records for individual crops need to be filed at the FSA office to establish an approved NAP yield. If this is the first year you participated in NAP, you can provide production and acreage information from prior years to establish your yield. If you participated in NAP in previous years, you must report your production and acreage on a yearly basis to keep your yield up-to-date.

Records submitted must be reliable or verifiable. Records need to show crop disposition. We recommend producers submit production records as soon as harvest is complete. **All production records must be submitted by the subsequent crop year's final acreage reporting date.**

NAP Loss Filing

The CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. Timely filing the CCC-576 is required for all crops including grasses. For losses on crops covered by the Non-insured Crop Disaster Assistance Program (NAP) and crop insurance, you must file a CCC-576 in the FSA County Office within 15 days of the occurrence of the disaster or when losses become apparent.

If filing for prevented planting, an acreage report and CCC-576 must be filed within 15 calendar days of the final planting date for the crop.

Adjusted Gross Income

USDA has a Memorandum of Understanding with the Internal Revenue Service to establish an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent will be required from each producer or payment recipient for the tax review process. No actual tax data will be included in the report that IRS sends to FSA.

The agreement ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 non-farm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs.

Participants in CCC programs subject to average AGI rules must submit form CCC-927 (Individual) and/or CCC-928 (Legal Entity) to the Internal Revenue Service by June 15 to avoid interruption of program benefits. These forms may be obtained from local FSA and NRCS offices.

Farm Reconstitutions

At FSA, farms are “constituted” to group all tracts having the same owner and the same operator under one farm serial number. When changes in ownership or operation take place, a farm reconstitution is necessary. If an owner or

operator cannot agree about program participation, like in the case of the new ACRE program, then producers should inquire about a reconstitution of the farm at the local FSA office.

The reconstitution 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, 2011** for farms enrolled in specific programs.

Crop Reporting

The annual, timely and accurate reporting of acres 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.

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

Crop reports, form FSA-578, Report of Acreage, must account for all cropland on a farm, whether idle or planed. In Virginia, acreage must be reported by the following deadlines:

Fall & Spring Seeded Small Grains – **Tuesday, May 31, 2011**

All Crops, except small grains, tobacco, grain sorghum, and soybeans, hay, pasture & CRP – **Thursday, June 30, 2011**

Tobacco, grain sorghum, soybeans, hay pasture, and CRP – **Friday, July 15, 2011**

Prevented Planting: Prevented planting acreage must be reported no later than 15 calendar days after the final planting date

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.

Measurement Service

Farmers who would like a guarantee on their crop plantings and land use acreages can make it official by using the FSA measurement service. Producers must file a request with the county office staff and pay the cost of a field visit to have stake and referencing done on the farm. Measurement

service is available using digital imagery. If and on-site visit is not required, producers are charged a reduced rate.

Incorrect acreage self-certification can result in reduced program payments, penalty, or loss of eligibility.

Sodbuster Regulations

The term “sodbusting” is used to identify the plowing up of erosion-prone grasslands for use as cropland. Sodbuster violations are unauthorized tillage practices on highly erodible lands that converted native vegetation s such as rangeland or woodland to crop production after Dec. 23, 1985.

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.

If Natural Resources Conservation Service indicates on a CPA-026 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.

In addition, producers and the producer’s affiliates have to file an AD- 1026 in the administrative or control county office before any farm program payments can be made. The AD-1026 is the producer’s signed certification the HELC, as well as wetland conservation, provisions will not be violated.

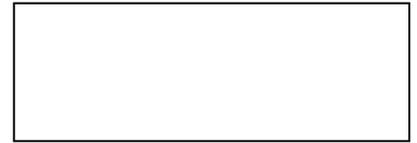
Farm Loan Programs

The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, direct and guaranteed loans are currently available.

Ask your lender about an FSA loan guarantee if you’ve had a setback and your lender is reluctant to extend or renew your loan.

Banking Changes?

If you changed banks and did not notify FSA, your payment could be delayed. Payments are electronically transferred into your bank account, if we are not aware of changes to your account and routing numbers, there could be problems. In order 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 that any changes in a producer’s account such as type account, bank mergers, routing number or account numbers, be provided to the county office promptly to avoid possible payment delay.



Selected Interest Rates for May 2011	
90-Day Treasury Bill	0.125%
Farm Operating Loans - Direct	2.625%
Farm Ownership Loans - Direct	5.00%
Limited Resource	%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.5%
Emergency Loans	3.75%
Farm Storage Facility Loans	2.875%
Commodity Loans 1996-Present	1.250%

Dates to Remember	
May 31	Report Fall and Spring seeded small grains
June 1	Deadline to Enroll in DCP and ACRE
Continues	Continuous Conservation Reserve Program