

November 2013



Alabama FSA State Updates

Alabama FSA State Office

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Dr. Walter Hill, Chairperson
Laura Elliott, Member
Danny Ellison, Member
George Hodge, Member
Fred Hughes, Member

Next State Committee Meeting: Scheduled as needed - dates to be announced

Topics for November

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SED Comments

FSA has started issuing Conservation Reserve Program (CRP) annual rental payments to participants across the country. CRP payments will be followed by 2013 Direct and Counter-cyclical Payments and 2012 Average Crop Revenue Election (ACRE) program payments. These payments were delayed by several weeks due to the lapse in Federal funding.

The 2008 Farm Bill, extended by the American Tax Payer Relief Act of 2012, provided authority to enroll land in DCP, ACRE and CRP through Sept. 30, 2013; however, no legislation has been enacted to reauthorize or extend this authority. Effective Oct. 1, 2013, FSA does not have legislative authority to approve or process applications for these programs.

Report 2014 Perennial Forage Crops by November 15, 2013

All producers are reminded that the final acreage reporting date for perennial forage crops is Nov. 15, 2013. This applies to apiculture, PRF (pasture, rangeland, and forage) insured crops, and permanent grasses, including, but not limited to Bahia, Bermuda, Dallas, and Fescue. Please call for an appointment to certify your perennial forage crops.

NAP Coverage Deadlines

Noninsured Crop Disaster Assistance Program application deadlines 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. Contact your local FSA office for the closing dates for your crops.

2013 Crop Commodity Loan Disbursements Resume

The processing and disbursement of 2013 crop commodity loans has resumed. Crop year 2013 commodity loan-making was suspended Oct. 1, 2013, to make changes necessary to accommodate the automatic funding reductions known as sequester. Sequestration is mandated by the Balanced Budget and Emergency Deficit Control Act of 1985 as amended by the Budget Control Act of 2011.

The commodity loan programs provide interim financing to producers for agricultural commodities stored after harvest and then sold throughout the year. Producers requesting 2013 crop commodity loans on their harvested commodities now will have a 5.1 percent reduction to the loan amount upon its disbursement, due to the sequestration. Commodity loans issued by marketing associations and loan servicing agents are also subject to the sequestration reduction.

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.

Important Reminders

- **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.
- **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: (1) 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; and (2) Spouses shall not sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities.
- **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 producers name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.
- **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.

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).