



January/February 2012

**USDA  
Alabama FSA**

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State Executive Director

**Please Note:**

Alabama has forty-five local FSA offices that service producers throughout the State.

For questions or inquiries regarding information contained in this newsletter or regarding other FSA programs, please contact your local USDA– Farm Service Agency Office.

You may also visit the FSA website at:  
[www.fsa.usda.gov](http://www.fsa.usda.gov)

**Reasonable Accommodations**

Reasonable accommodations will be made, upon request, for individuals with disabilities, vision impairment, or hearing impairment to attend or participate in meetings or events sponsored by the Farm Service Agency. If you require special accommodations to attend or participate in our programs or activities, you should contact your local FSA office or Federal Relay Service at 1-800-877-8339.

**2012 DCP/ACRE Sign-Up Begins Jan. 23, 2012**

The 2012 Direct and Counter-Cyclical Payment (DCP) Program and Average Crop Revenue Election Program (ACRE) enrollment will begin January 23, 2012, and end June 1, 2012. Here are some IMPORTANT REMINDERS regarding DCP/ACRE:

- All producers planting on DCP base acres must be identified on the DCP/ACRE contract and receive a proportionate share of DCP/ACRE payment for the farm.
- Changes in ownership, producer, or crop share arrangements that take place after the June 1, 2012, enrollment deadline must be reported to the local FSA Office.

Under DCP, eligible producers receive direct payments at rates established by statute regardless of market prices. There are no 2012 direct advance payments for DCP and ACRE. Counter-cyclical payment rates vary depending on market prices and are issued only when the effective price for a commodity is below the statutorily set target price. There are no partial counter-cyclical payments for 2012.

The Average Crop Revenue Election (ACRE) program 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 elect to forgo counter-cyclical payments, receive a 20-percent reduction in direct payments and a 30-percent reduction in loan rates. The decision to elect ACRE binds the farm to the program through the 2012 crop year.

Planted crops considered eligible for DCP and ACRE payments include: wheat, barley, oats, grain sorghum, corn, upland cotton, peanuts, pulse crops (dry peas, lentils, chickpeas or garbanzo beans), rice, soybeans, and other oilseeds (canola, crambe, flaxseed, mustard seed, rapeseed, safflower, or sesame seed).

**Six Alabama Counties Designated as Primary Natural Disaster Areas**

On December 8, 2011, Secretary Vilsack designated six Alabama counties as disaster areas due to losses caused by excessive rain, flooding, flash flooding, hail, high winds and tornadoes that occurred April 1-30, 2011. Those counties are: **Blount, Lawrence, Madison, Marion, Monroe and Morgan.**

As a result of the designation, twenty Alabama counties were named as contiguous counties. Those counties are: **Baldwin, Butler, Clarke, Colbert, St. Clair, Conecuh, Cullman, Escambia, Etowah, Walker, Fayette, Franklin, Jackson, Jefferson, Wilcox, Lamar, Lauderdale, Limestone, Marshall and Winston.**

This Secretarial designation makes all qualified farm operators in the designated areas eligible for low interest emergency loans and disaster assistance under USDA-Farm Service Agency's (FSA) Supplemental Revenue Assistance Program (SURE), provided eligibility requirements are met under each individual program, as applicable. Interested farmers should contact their local FSA Office for further information on eligibility requirements and application procedures for these and other programs.

**DATES TO REMEMBER**

Jan. 23	DCP/ACRE Enrollment begins
Jan. 31	Final date to request 2011 crop <b>wool</b> and <b>peanut</b> marketing assistance loans and Loan Deficiency Payments (LDPs).
Feb. 28	Final date to apply for NAP coverage for most spring-seeded crops
Within 90 days of transaction	Foreign Investors report agricultural holdings to FSA

**Alabama FSA is Moving to Electronic Information — Will No Longer Mail Newsletters**  
*—Please Register Online to Receive FSA Newsletters and Updates Electronically*

The USDA-Farm Service Agency offices are moving toward a “paperless” operation. Alabama FSA offices will no longer mail quarterly newsletters, reminder cards or other general information. **However, County Committee ballots will continue to be mailed to all eligible producers.**

Producers are asked to enroll in the new GovDelivery system, which will provide notices, newsletters and reminders through electronic means. During this transition to GovDelivery, producers are urged to remain in contact with the local FSA office to ensure they are aware of program announcements, sign-up periods and deadline dates. Interested producers and agricultural partners may subscribe to receive e-mail updates by going to the USDA GovDelivery sign-up page found at:

<https://public.govdelivery.com/accounts/USDAOCS/subscriber/new> and subscribing to the preferences of your choice.

FSA, like many other organizations, is trying to work smarter and become more efficient. Moving to electronic notifications will help us conserve resources yet remain in communication with our producers.

Though Alabama FSA will no longer mail the FSA Newsletter to producers, copies will be available at local FSA Service Center Offices. We will also provide an electronic copy of the newsletter to our agricultural partners and agricultural community based organizations.

### 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.



- **January 31, 2012**— Final date to request 2011 crop **wool** and **peanut marketing assistance loans and Loan Deficiency Payments (LDPs)**.
- **March 31, 2012**— Final date to request marketing assistance loans and loan deficiency payments on **2011-crop honey, barley, canola, oats and wheat**.

### NAP Provisions — Are Your Crops Covered?

Noninsured Crop Disaster Assistance Program (**NAP**) **application deadline dates vary** according to the crop being insured. Producers should **apply** for NAP coverage using form CCC-471 (Application for Coverage) **prior to the application closing date** for the crop being insured. **Most spring-seeded crops have an application closing date of February 28.** Related service fees are due when the application is filed. Contact your local FSA office for the application closing dates for your crops.

The NAP service fee is \$250 per crop per county or \$750 per producer per county. The fee cannot exceed a total of \$1875 per producer for individuals with farming interests in multiple counties. **Limited resource producers may request a waiver for service fees.**

**Please Note: To be eligible** for disaster assistance programs, **producers must purchase at least CAT level of crop insurance for all insurable crops and/or NAP coverage for noninsurable crops** in all counties where the participant has an interest.

**NAP Production Reporting**— Production records for individual crops should be filed with the Farm Service Agency (FSA) to establish an approved NAP yield. If this is the first year you’ve 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 and verifiable and should show crop disposition. It is recommended that producers submit 2011 production records as soon as possible after harvest. All production records must be submitted by the subsequent crop year’s final acreage reporting date.

### IMPORTANT NOTES

- **NAP Losses must be reported within 15 days of loss**
- **Prevented Planted Acreage must be reported no later than 15 calendar days after the final planting date for the applicable crop**
- **Failed Acreage shall be filed before the disposition of the crop.**

## Reminder!

- **Bank Account Changes?** – In order for timely payments to be made, producers should 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.
- **Faxed Signatures** – Faxed signatures from producers will be accepted for certain forms and other documents that have been approved by FSA for faxed signatures. Faxed signatures are signatures received through a FAX machine, not electronic signatures, such as signatures obtained by e-mail or the Internet. Producers are responsible for the successful transmission and receipt of information provided to the Service Center through telefacsimile transmission. USDA is not responsible for any transmission failures or any other problems that prevent the successful or timely receipt of information provided by producers through telefacsimile transmission.
- **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.
- **Power of Attorney**— Producers may obtain an agent to act on their behalf for programs and transactions authorized under the 2008 Farm Bill and most other FSA administered programs. This can be done by providing any of the following as valid Power of Attorney forms: (1) FSA-211s, with FSA-211As, as needed; (2) non-FSA Powers of Attorney; and (3) durable Powers of Attorney, such as living wills.
- **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.
- **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.

## 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.

## Has a Change Occurred in the Ownership or Operation of Your Farm?

A farm, as defined by the Farm Service Agency, is made up of tracts of land that have the same owner and operator. When a change occurs in the ownership or operation of a farm, a farm reconstitution is necessary; and the FSA office staff must be promptly notified. Dividing a farm into two or more resulting farms because of a change in ownership or operation is called a farm division, and there are three methods for dividing a farm's crop acreage base:

- **Estate** – the highest priority method. In this method, the farm's acreage base is divided according to the direction in a will. This method may also be used if all heirs sign a written agreement designating the division of base on the parent farm.
- **Designation by Landowner** – the division of acreage base in the manner agreed to by the parent farm owner and the purchaser or transferee. This method is used when part or all of a farm or tract is sold. To use this method, the land that is sold must have been owned for at least three years; and the owner of the parent farm and the purchaser must file a signed Memorandum of Understanding (MOU) designating bases. The MOU must be filed before the farm is reconstituted or before there is any subsequent transfer of ownership. Owners who are thinking about selling any land are advised to obtain a written agreement on the division of the crop acreage base at the point of sale of land. When using the Designation by Landowner method, all sellers and buyers must sign the FSA-155, Request for Farm Reconstitution.
- **Default** – used when the higher priority methods of Estate and Designation by Landowner are not applicable. Using this method of division, each resulting farm receives the base that is allocated to the tracts of land associated with each farm.

## Direct and Guaranteed Farm Loans Available — Apply Early

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 or regularly borrow from FSA, 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.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,214,000. Producers are encouraged to apply early so that a loan can be processed and funded in a timely manner. Special loan funds are available under the **Beginning Farmer and Limited Resource Loan Program and the Socially Disadvantaged Loan Program**.

## CCC-1099-G, Report of Payments to Producers



During the last week of January, producers who have received payments from FSA will receive a CCC-1099-G from Commodity Credit Corporation. A CCC-1099-G is a report to the Internal Revenue Service about FSA payments made to you during the previous calendar year. The CCC-1099-G is a service to help participating producers report taxable income. It is not intended to replace the program participant's responsibility to accurately report income to the 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. All tax-related questions should be directed to your accountant or tax advisor.

## Foreign Owners Must



### Report Holdings

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 within 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.

## USDA Settlements and Claims Process Guide

For information on USDA settlement and claims, contact the following as applicable:

- **Hispanic and Women Farmer Claims Process, please visit:** [www.farmerclaims.gov](http://www.farmerclaims.gov) or call 1-888-508-4429;
- **Pigford II – The Black Farmers Discrimination Litigation, please visit:** [www.blackfarmercase.com](http://www.blackfarmercase.com) or call 1-866-950-5547;
- **Keepseagle - The Native American Farmers Class Action Settlement, please visit:** [www.IndianFarmClass.com](http://www.IndianFarmClass.com) or call 1-888-233-5506.



All FSA Offices will be closed on the following dates in observance of the respective listed Federal holidays:

- **January 16** — Birthday of Dr. Martin Luther King, Jr.
- **February 20** — George Washington's Birthday



The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.