



Julia A. Wickard
State Executive Director
julia.wickard@in.usda.gov

From the FSA Farm Fields

Strong ... Vibrant ... Alive – Today, these words describe the agricultural economy. This success is due to each of you – the American farmer who works tirelessly to deliver a safe, abundant food and fiber supply to our globe. In a time where the economic climate has not been favorable to all industries, I am proud to live on my family farm and to work in agriculture for the U.S. Department of Agriculture

and for each of you in delivering programs and services through our workforce of dedicated employees. You know these men and women who staff your local offices. They are the heartbeat of the Farm Service Agency (FSA) and you rely upon them to assist you in applying for and complying with FSA's over 40 voluntary programs. This newsletter serves as a *starting place* for each of you to become familiar with FSA's programs. To learn more, I encourage you to personally visit with your local FSA staff in your county office to get the specific requirements for all of our programs. I thank you for your continued impact on feeding and fueling our Nation and our World. It is an honor to work for you and with our Indiana FSA employees.

Sincerely Yours In Agriculture,



"Burn down your cities and leave our farms, and your cities will spring up again as if by magic; but destroy our farms, and the grass will grow in the streets of every city in the country."

-Wm. Jennings Bryan

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 dates listed in this newsletter.

Farm Records Changes

If you have sold or bought land, changed tenants, rented additional land, or changed bank direct deposit accounts, notify your local FSA Office for records update.

SURE

The Supplemental Revenue Assistance Payments Program (SURE) provides benefits for farm revenue losses due to natural disaster. Signup is currently underway for 2009 losses. The application deadline for 2009 SURE is 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 Noninsured Crop Disaster Assistance Program (NAP) except for grazed acreage. Crop insurance or NAP coverage is not required for crops that are not of economic significance or those where the administrative fee required to buy NAP coverage exceeds 10% of the value of the coverage.

Eligible farmers who meet the definition of Socially Disadvantaged, Limited Resource, or Beginning Farmer are exempt from the Risk Management Purchase Requirement (RMPR). The following are the conditions that trigger SURE payments:

- At least one crop of economic significance must suffer a 10% production loss due to an eligible disaster condition (a crop of economic significance is a crop that has contributed or would have contributed at least 5% or more of the total expected revenue from all crops on the farm).
- Producers in counties declared disaster counties by the U.S. Secretary of Agriculture, or in contiguous counties, or those not in a disaster county who show proof of an individual loss of at least 50%, are eligible to receive SURE payments for crop production 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.

For additional clarification contact your local FSA office.

2011 DCP/ACRE Signup

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

The optional Average Crop Revenue Election (ACRE) Program provides a safety net based on state revenue losses and acts in place of the price-based safety net of counter-cyclical payments under DCP. The June 1, 2011 signup deadline is mandatory for all participants. USDA will not accept any late-filed applications. A farm's payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year national price for each eligible commodity.

The decision to enroll in the ACRE Program is irrevocable. The owner of the farm and all producers on the farm must agree to enroll in ACRE. Once enrolled, the farm shall be enrolled for that initial crop year and will remain in ACRE through the 2012 crop year.

CCC 1099-G

Producers who have received payments from FSA should have received a CCC-1099-G. A CCC-1099-G is a report to the Internal Revenue Service (IRS) about FSA payments made to producers 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 report income to the IRS.

When the CCC-1099-G is received, it should be checked with your records to see that the amounts are correct. Refunds will no longer be reported on the 1099-G, but will be available online from the FSA Financial Inquiries (FSA-FI) web-based database. If you have a question concerning the 1099-G refund information, you may contact your local FSA office for assistance.

Conservation Loan Program

The Conservation Loan (CL) Program provides farmers with the funding necessary to implement conservation measures on their land. The available limit for a direct CL is \$300,000, and the limit for a guaranteed CL is \$1,119,000.

The Natural Resources Conservation Service (NRCS) will work with applicants to develop a conservation plan containing approved conservation practices. Examples of some conservation practices are: water conservation structures, forest cover, permanent pastures, manure digesters, and other installations. For more information on a

potential Conservation Loan, call the local FSA office and make an appointment with a loan officer.

Actively Engaged

USDA has amended the rules that govern the requirements to be "actively engaged" in farming. These rules apply to eligibility for payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE) program administered by FSA.

Normally the stockholder or a member of a legal entity must make contributions of active personal labor and/or active personal management for the farming operation. The contributions are to be performed on a regular basis, must be identifiable, and separate from the contributions of others.

The exception to this rule for a stockholder or member of a legal entity only occurs when both of the following apply:

- At least half of the interest in the legal entity is held by stockholders or members who are providing active personal labor or active personal management; and
- The total direct payments received by the legal entity and each of the members cannot exceed \$40,000.

Attention Producers and Landowners!

- ✓ Do you intend to clear wooded areas to create or expand existing cropland?
- ✓ Are you converting a pasture field into a crop field?
- ✓ Are there farm areas that you are considering cropping that have not been cropped in recent years?
- ✓ Are you planning any drainage projects such as installing new tile lines or grading wet spots in a field?
- ✓ Are you planning on clearing a fence row?

These are highly erodible and wetland provision questions that need to be considered each year by producers to assure they remain eligible for USDA benefits. If you have any questions or concerns that something you plan to do on your farm could jeopardize your eligibility for benefits, please contact your FSA or NRCS representative at your local USDA service center before you begin any work.

Foreign Buyers and Sellers Must Report U.S. Agricultural Land Holdings

Foreign investors with an interest in agricultural lands in the United States are required to report their holdings and any transactions to the U.S. Secretary of Agriculture, through the USDA Farm Service Agency. Any foreign person who acquires or transfers any interest, other than a security interest, in agricultural land in the United States is required by law to report the transaction no later than 90 days after the date of the transaction.

Farm Loan Programs

FSA is committed to providing farmers with loans to meet their farm credit needs. If you are a beginning farmer with limited resources, are having trouble obtaining 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 and the creative methods available to purchase real estate using a combination of direct and guaranteed loan assistance. Guaranteed loans may also be available if you have 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 \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,119,000. Producers are encouraged to apply early so that a loan can be processed and funded in a timely manner. To find out more about FSA loan programs, contact the county office staff.

Farm Storage Facility Loans Available

The Farm Storage Facility Loan Program (FSFL) is a low interest loan program that is available to producers of eligible commodities to help build or upgrade their on-farm commodity storage and handling facilities. Eligible commodities include: corn, grain sorghum, soybeans, oats, wheat, barley or minor oilseeds (whether harvested as grain or as other than grain), hay and renewable biomass. Additionally, FSFL loans are available for fruits (including nuts) and vegetables for cold storage.

Some of the program details include:

- The maximum loan amount is 85% of the net cost of the facility, not to exceed \$500,000 per loan.
- The loan term will be for 7, 10 or 12 years depending on the loan amount.
- The interest rate will be fixed for the term of the loan. The interest rates for FSFLs approved for March 2011 are 2.875% for a 7 year term; 3.500% for a 10 year term; and 3.875% for a 12 year term.
- Loans over \$50,000 require security, such as real estate, or an irrevocable letter of credit.
- Construction of the storage facility *cannot begin* until after the FSFL application has been submitted to FSA and the loan has been approved. Depending on the loan amount, some loans require FSA State Committee approval.

Acreage Reports

Producers who receive benefits under FSA programs are responsible for complying with provisions of the program which includes the requirement to annually report all crops

planted or grown on their participating farms. Farmers are reminded to report their 2011 crops and acreages to their local FSA office. Small grains such as wheat and oats should be reported by May 31, 2011 in the southern half of the state, while all other crops in the state need to be reported by July 15, 2011. For land located in central Indiana, contact your local FSA office to determine the dates that apply for your crops. If a crop has not been planted by the final reporting date, then it must be reported within 15 calendar days after the completion of planting.

If you are prevented from planting a crop or have failed crop acreage, this must also be reported to your local FSA office. In addition to filing a FSA-578 certification, the CCC-576 Part B must be completed for the County Committee (COC) to act on approval/disapproval of the prevented or failed acreage request.

To be filed in a timely manner, prevented planted claims must be submitted no later than 15 calendar days after the final planting date for the affected crop. Acreage reports for failed acreage must be filed before the disposition of the crop. Producers must be able to establish to the satisfaction of the COC that the crop failed or was prevented from being planted because of natural disaster conditions.

CRP General Signup 41

A general signup for the Conservation Reserve Program (CRP) will begin on March 14, 2011 and continue through April 15, 2011. During the sign-up period, agricultural landowners and producers may offer eligible land into CRP's competitive general sign-up process.

CRP is a voluntary program that helps producers utilize their environmentally sensitive land for conservation benefits. Producers enrolling in CRP plant long-term, resource-conserving cover in exchange for rental payments, cost-share and technical assistance.

Land eligible to be enrolled into General Signup 41 includes cropland currently not enrolled in CRP that meets certain land eligibility requirements and has a minimum erosion index, land located within a state or national priority area that meets land eligibility requirements, and land currently enrolled in CRP that is expiring on Sep. 30, 2011.

All offers for enrollment will be ranked utilizing an Environmental Benefits Index (EBI) score. The EBI score is determined by several factors including the location, soils and conservation practice cover.

Landowners and producers interested in general CRP signup should contact their local FSA for eligibility and application details or visit the national CRP web site at www.fsa.usda.gov/crp.



www.fsa.usda.gov/in

OFFICIAL BUSINESS
Penalty for Private Use, \$300

2011 IMPORTANT DATES	
March 14– April 15	Offers accepted for General Conservation Reserve Program (CRP) Signup # 41
March 31	Final date to obtain loans or Loan Deficiency Payments (LDP's) on 2010 harvested small grains
May 31	Crop certification date for Fall and Spring seeded small grains in Southern Indiana
May 31	Final date to obtain loans or LDP's on 2010 harvested feed grains and soybeans
June 1	Deadline for 2011 DCP Enrollment/ACRE Election
June 1	Date used to determine ownership interest in a legal entity for program year 2011
June 20	Final date to submit a prevented planting claim for corn
July 5	Final date to submit a prevented planting claim for soybeans
July 15	Final crop certification date for all crops, CRP and grazing lands
July 15	Deadline for reporting 2010 production for ACRE farms
July 15	Deadline for reporting 2010 NAP crop production with July 15, 2011 acreage reporting deadline
July 15	Deadline to establish 2010 Farm Benchmark Yields for ACRE farms
July 15	Deadline to report production and disposition of the crop for farms enrolled in 2010 Planting Transferability Pilot Program (PTPP)
July 29	Deadline to sign up for 2009 Supplemental Revenue Assistance Payments Program (SURE)
November 15	Final production reporting date for Noninsured Crop Disaster Assistance Program (NAP) Actual Production History (APH) for 2011 hay, alfalfa and 2012 acreage reporting date for alfalfa, all hay crops
Monthly	In addition to acreage reports, producers of value loss crops must maintain a monthly inventory

2011 APPLICATION DEADLINES FOR COVERAGE FOR NAP FINAL DATES	
March 15th	All spring planted crops (green beans, melons, potatoes, peppers, tomatoes, etc.)
May 1st	Nursery crops for the following year's crop
September 1st	Christmas trees and flowers for the following year's crop
September 30th	Grazing/forage crops and mint crops for the following year's crop
November 20th	Perennial crops for the following year's crop (apples, maple sap, peaches, etc.)
December 1st	Honey for the following year

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program 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, genetic information, political beliefs, 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, D.C. 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, employer and lender.