

Texas FSA Today

AN ONLINE MONTHLY NEWSLETTER COVERING THE HOTTEST TOPICS IN FEDERAL FARM PROGRAMS

January 2008

LIVESTOCK, CROP DISASTER PROGRAM 2007 ELIGIBILITY DATE EXTENDED

The eligibility criteria for 2007 livestock and crop year losses has been expanded, for farmers and ranchers who suffered recent livestock and/or crop losses caused by natural disasters.

On Dec. 26, 2007, President George W. Bush signed the Department of State, Foreign Operations and Related Programs Appropriations Act, 2008 (2008 Act). The 2008 Act amended the previous Feb. 28, 2007, date and now allows for crops planted for harvest prior to Dec. 31, 2007, to be included for loss purposes under the Crop Disaster Program (CDP). Similarly, under the Livestock Indemnity Program (LIP) and the Livestock Compensation Program (LCP), the 2008 Act extends the date livestock and livestock feed losses could have occurred in a primary or contiguous county named in a Secretarial or Presidential disaster declaration to Dec. 31, 2007.

This date change does not make 2008 crops planted in 2007 eligible for CDP, however it does benefit farmers in that it expands the eligibility criteria to include crops planted in 2007 that were intended for harvest in the same crop year, and it adds 10 months to the amount of eligible time livestock losses can be considered for the new programs.

Ending dates for the sign-up period have not yet been determined.

COUNTY COMMITTEE ELECTION RESULTS

County Committee election results are in... contact your local FSA office for details.

FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

The committee members will hold their organizational meeting in January to determine who will serve as the county committee chairman and vice-chairman.

FOREIGN INVESTORS NOTIFICATION

The Agricultural Foreign Investment Disclosure Act 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.

Foreign persons who 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 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.

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 (POA)

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. If you want a crop loan, a power of attorney form will need to be completed for husband and wife, if both do not come into the office to sign the forms on the day the loan is disbursed. Note: Different POA rules may apply for farm credit programs.

EMERGENCY LOANS AVAILABLE

Farmers who suffered significant damage due to severe weather in 2007 may be eligible for low-interest emergency loans from the Farm Service Agency. These loans carry an interest rate of 3.75 percent.

- **Production Losses.** Eligible farmers can also use emergency loan funds to recover a portion of losses on growing crops that were destroyed.
- **Physical Losses.** Eligible farmers can use emergency loan funds to repair or rebuild essential farm buildings, clean debris or prepare land for replanting, and to replace livestock, supplies and harvested crops on hand or in storage that were lost.

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 staff 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.

SPOUSAL SIGNATURES

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.

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.

LOANS FOR SOCIALLY DISADVANTAGED

The Farm Service Agency (FSA) can make and guarantee loans to socially disadvantaged applicants to buy and operate family size farms and ranches. Funds specifically for these loans are reserved each year. A socially disadvantaged farmer or rancher is one of a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. For purposes of this program, socially disadvantaged groups are women, Blacks or African Americans, American Indians and Alaskan Natives, Hispanics, and Asians and Native Hawaiians or Pacific Islanders. Contact your local FSA Farm Loan Manager or Officer for more details and assistance in applying.

APPLICATIONS FOR FSA LOANS

Farmers and ranchers that intend to apply to the Farm Service Agency for loan assistance for the upcoming crop year are encouraged to file their applications as early as possible. Filing early will help ensure that your loan is processed and approved as early as possible so that planting decisions can be made. Failure to apply early can result in a delay in processing loans due to the volume of applications that must be processed in date order. Contact your local FSA farm loan manager or officer for more details and assistance in applying.

YOUTH LOANS

FSA makes operating loans to individual rural youths age 10 through 20 and live in a rural area or any city

or town with a population of 50,000 or fewer people. These loans may be used to establish and operate income producing projects. Projects must be of modest size and be initiated, developed and carried out by rural youths participating in 4-H Clubs, FFA, or a similar organization or with a vocational teacher or county extension agent. The project must be an organized and supervised program of work. It must be planned and operated with the assistance of the organization advisor, produce sufficient income to repay the loan, and provide the youth with practical business and educational experience. Contact your local FSA office for more details.

TEXAS FSA LOAN TEAM TO ATTEND STATEWIDE TRAINING IN FEBRUARY

A statewide Farm Loan Program employee training session is scheduled for February 4-8, 2008. The training relates to recent streamlining of existing and new regulations effective as of December 31, 2007.

The Farm Loan Program staff will be unavailable to provide services during the week of training. To insure your business needs are met, please schedule appointments with county office staff accordingly.

CUSTOMER STATEMENT

January signals the beginning of a new year, a time to gather financial records and begin to think about filling out a 1040. 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.

AG CENSUS FORMS DUE FEB. 4TH

The National Agricultural Statistics Service (NASS) began distribution of the 2007 Census of Agriculture last month and completed forms are due by February 4, 2008. Producers can return their forms by mail or, for the first time, they have the convenient option of filling out the Census online via a secure web site at <http://www.agcensus.usda.gov/>.

Conducted every five years by the U.S. Department of Agriculture, the Census is a complete count of the nation's farms and ranches and the people who operate them. According to NASS, the Census of Agriculture provides information that is not available elsewhere. The last Ag Census was conducted in 2002.

The Census looks at land use and ownership, operator characteristics, production practices, income and expenditures and other topics. It provides the only source of uniform, comprehensive agricultural data for every county in the nation.

Policy-makers use Census data for decisions concerning agricultural and rural programs. Community planners use Census information to target delivery of local services. Companies rely on Census data when determining where to locate their operations. And farmers themselves look at Census data when deciding to make changes in their production strategies.

NAP COVERAGE DEADLINE

The deadline date is fast approaching for producers to 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

closing date for 2008 spring seeded crops including vegetables. Producers should contact the local FSA for dates specific to their respective county.

The service fee is \$100 per crop per county or \$300 per producer per county. The fee cannot exceed a total of \$900 per producer for individuals with farming interests in multiple counties. Limited resource producers may request a waiver for service fees.

To qualify, a producer must be a landowner, tenant or sharecropper who shares in the risk of producing an eligible crop.

IMPORTANCE OF AGRICULTURE STATISTICS SERVICE QUARTERLY SURVEYS

Have you been asked to participate in a survey with USDA's Agriculture Statistics Service?

The Quarterly Agricultural Surveys, conducted by the National Agricultural Statistics Service (NASS) provide inventory and production estimates for crops and livestock at state and national levels. Each quarter a list sample of farm operators are contacted by mail, telephone or personal interview for inventory information on the land they operate. Sample segments also screened for farm operators.

Why is it important for producers to participate in these surveys? Because...

Statistical information on acreage, production, stocks, prices, and income is essential for the smooth operation of Federal farm programs. It is also indispensable for planning and administering related Federal and State programs in such areas as consumer protection, conservation and environmental quality, trade, education, and recreation.

Moreover, the regular updating of information helps to ensure an orderly flow of goods and services among agriculture's producing, processing,

and marketing sectors. Reliable, timely, and detailed crop and livestock statistics help to maintain a stable economic climate and minimize the uncertainties and risks associated with the production, marketing, and distribution of commodities.

NAP PRODUCTION RECORDS

Production records for individual crops need to be filed with our 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 and verifiable. Records need to show crop disposition.

We recommend producers submit 2007 production records as soon as harvest is complete. All production records must be submitted by the subsequent crop year's final acreage reporting date.

Readers are advised that dates for FSA programs in Texas are often county-specific. Please contact your local FSA office for detailed information pertaining to your operation.

