

# Williamson County FSA Office

May 2012

Craig Engelmann County Executive Director

1100 MLK St., Ste B Georgetown, TX 78626 512-863-8576 phone 512-869-2434 FAX www.fsa.usda.gov/TX

#### Hours

Monday - Friday 8:00 a.m. - 4:30 p.m. Closed to the Public each Wednesday from 8:00 - 12:00

Office Staff
Angel Callan
(Payment Eligibility)
Kana Guthrie
(Livestock Programs)
Jay J. Jaecks, Jr.
(Compliance, NAP,
LDP's, SURE)
Marvin Kelm
(DCP, Farm
Reconstitutions)
Patricia Toon
(Conservation)
Terri Trevino

#### Chief Program Technician

Farm Loan Manager

Jay Jaecks, Jr., has been selected as the new Chief Program Technician (CPT) in the Williamson County FSA Office. Jay will maintain some of his current program responsibilities in conjunction with his role as the CPT.

#### **DCP Signup & Advance Payments**

Enrollment for the 2012 Direct and Counter-cyclical Program (DCP) ends June 1, 2012. Advance payments are not available for the 2012 DCP program. The entire DCP payment will be issued after October 1, 2012. Eligible producers receive direct payments at rates established by statute regardless of market prices. DCP contract signatures for enrollment are due by the signup deadline of June 1, 2012. Farm operators are reminded that owner signatures on DCP Contracts must be submitted as soon as they are obtained. These owner signatures can be received after June 1, 2012 but must be submitted to the County Committee for review and approval.

Customers with an "eAuthenticated" Level 2 Account are encouraged to enroll their DCP Farms online at <a href="www.fsa.usda.gov">www.fsa.usda.gov</a>. Select "Online Services"; Under "Related Topics" select eDCP/ACRE. Please be aware that you may be prompted to change your password if you have not accessed your account in a while. If you have problems logging in please contact the "Help Desk" (telephone number will be listed). For those of you that have internet access but have not set-up an eAuthenticated Level 2 Account, we strongly encourage you to do so. To Register for a Level 2 account please go to the website listed above and select "Online Services"; find and select "Register"; under "Quick Links" select Create an Account; select "Level 2 Access" and follow the instructions.

## GovDelivery

The USDA Farm Service Agency offices are moving toward a paperless operation. Producers are asked to enroll in the new GovDelivery system which will provide notices, newsletters and electronic reminders instead of a hard copy through the mail. FSA, like many other organizations, is trying to work smarter and be more efficient. Moving to electronic notifications via email will help conserve resources and save taxpayer dollars. County Committee ballots will continue to be mailed to all eligible producers. Producers can subscribe to receive free e-mail updates by going to <a href="http://www.fsa.usda.gov/subscribe">http://www.fsa.usda.gov/subscribe</a>.

#### 2010 Supplemental Revenue Assistance Program (SURE)

The 2010 SURE program sign-up ends June 1, 2012. To qualify for a SURE payment, the producer's operation must be located in a county that was declared a disaster for 2010 and have at least a 10 percent production loss that affects one crop of economic significance. Williamson County farm operators MUST contact the FSA Office if they had a qualifying loss and are interested in this program. Producers must have obtained a policy or plan of insurance for all insurable crops through the Federal Crop Insurance Corporation and obtained Noninsured Crop Disaster Assistance Program (NAP) coverage on non-insurable crops, if available, from FSA. Eligible farmers and ranchers who meet the definition of a socially disadvantaged, limited resource or beginning farmer or rancher do not have to meet this requirement. Forage crops intended for grazing are not eligible for SURE benefits. For more information on SURE program eligibility requirements contact the Williamson County FSA office or visit the website at <a href="http://www.fsa.usda.gov/sure">http://www.fsa.usda.gov/sure</a>. The Williamson FSA Office continues to process 2010 SURE applications.

#### Acreage Reporting (Certification)

The deadline for producers to certify their 2012 crops enrolled in programs other than NAP is **July 15, 2012**. Filing an accurate acreage report for all crops and land uses, including failed acreage and prevented planting acreage, can prevent the loss of benefits for a variety of programs, including crop insurance. **Important Note:** Failed acreage must be reported within 15 days of the disaster event and before disposition of the crop. Prevented planting must be reported no later than 15 days after the final planting date.

#### Noninsured Crop Disaster Assistance Program (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 for the crop. NAP is not available for crops when the Risk Management Agency (RMA) offers coverage for the crop in the county. An example could be that RMA offers coverage for corn in the county and special provisions state that the crop must be irrigated. Since corn is covered in the county, NAP cannot be offered on non-irrigated corn. Production records for all crops must be reported to FSA no later than the final acreage reporting date for the crop for the following year. FSA requires that any production reported in a loss year be verifiable according to Agency specifications. NAP Losses must be reported within 15 days of a disaster event or the date the loss becomes apparent.

#### **Adjusted Gross Income**

Program participants in USDA programs subject to average Adjusted Gross Income (AGI) rules must submit form CCC-931, Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information. When completing the form, program participants will answer questions to verify whether they meet the AGI eligibility rules. In addition, they must also sign the form certifying their answers, as well as authorizing the Internal Revenue Service (IRS) to release information to FSA. USDA and the IRS have established an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent is required from each producer or payment recipient for the tax review process, so the CCC-931 covers this requirement. Once you have provided the completed form to your FSA office in your control county, it will be forwarded to IRS. IRS will then review their records at a later date and notify FSA of any discrepancies. Keep in mind that no actual tax data will be included in the report that IRS sends to FSA, just notification when a producer does not meet the requirement. This process of sharing information between agencies ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are as follows: \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments under DCP and ACRE; and \$1 million nonfarm average AGI for conservation programs. The CCC-931 form may be obtained from local FSA and NRCS offices or online at:

http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/CCC931.PDF.

## **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 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 can't exceed \$40,000.

## Nominating Period for 2012 County Committee Election Starts June 15th

An Election will be held in 2012 for Local Administrative Area 1 to elect a County Committee member to serve a 3 year term on the County Committee beginning January 1, 2013. LAA # 1 in Williamson County is the area located west of IH-35, north of FM 972 over to State Highway 95 (see map on last page). The nominating period officially begins on June 15, 2012, but nominating forms (FSA-669A's) will be accepted immediately. **The deadline to file nomination forms is Aug. 1, 2012.** FSA-669A's are available by contacting the county office or on-line at: www.fsa.usda.gov. In addition to nomination forms, fact sheets and other election materials are also available on-line or by calling the county office at 512/863-8576, ext. 2.

#### Agricultural Foreign Investment Disclosure Act (AFIDA)

Foreign persons 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. Any foreign person who acquires, transfers or holds 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. Foreign investors must file Agricultural Foreign Investment

Disclosure Act (AFIDA) reports with the FSA county office that maintains reports for the county where the land is located. Failure to file a report, filing a late report or filing an inaccurate report can result in a penalty with fines up to 25 percent of the fair market value of the agricultural land. For AFIDA purposes, agricultural land is defined as any land used for farming, ranching or timber production, if the tracts total 10 acres or more. Disclosure reports are also required when there are changes in land use. For example, reports are required when land use changes from nonagricultural to agricultural or from agricultural to nonagricultural. Foreign investors must also file a report when there is a change in the status of ownership such as owner changes from foreign to non-foreign, from non-foreign to foreign or from foreign to foreign. Data gained from these disclosures is used to prepare an annual report to the President and Congress concerning the effect of such holdings upon family farms and rural communities in the United States. For more information regarding AFIDA and FSA programs, contact the Williamson County FSA office or visit the USDA Web site at <a href="http://www.usda.gov">http://www.usda.gov</a>.

#### **Emergency Loan Availability**

Williamson County received a Secretary of Agriculture designation as a primary natural disaster area due to damages and losses caused by drought, excessive heat, high winds, and wildfires occurring from January 1, 2011 and continuing. This designation allows qualified farm operators in the county to be considered for low interest emergency (EM) loans, provided eligibility requirements are met. Farmers in Williamson County have until September 4, 2012 to apply for loans to help cover part of their actual losses. FSA will consider each loan application on its own merits, taking into account the extent of losses, security available and repayment ability. FSA has a variety of programs, in addition to the EM loan program, to help eligible farmers recover from adversity.

#### **Farm Reconstitutions**

In program terminology, 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. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation. The following are the different methods used when processing a farm recon:

- Estate Method the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;
- <u>Designation of Landowner Method</u> may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;
- <u>DCP Cropland Method</u> the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;
- <u>Default Method</u> the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system. If payments have already been issued on a particular farm, the reconstitution will be effective for the next year, unless the payments are refunded. Request for recons must be filed by June 1st.

## Tree Assistance Program Eligibility Requirements Reminder

Orchardists and nursery tree growers who experienced losses from natural disasters that occurred from January 1, 2008, through September 30, 2011, could still be eligible for the Tree Assistance Program (TAP). Producers who experienced a loss from a natural disaster that occurred before September 30, 2011, must report the loss within 90 calendar days of when the loss was first apparent. The applicant must provide evidence to FSA of when the loss is first apparent. The local county committee will determine if the evidence supports that the loss occurred from an eligible disaster and was reported timely. *Important Note:* To be eligible for TAP, orchardists and nursery tree growers must have obtained a policy or plan of insurance for all crops through either the Federal Crop Insurance Act or FSA's Noninsured Crop Disaster Assistance Program (NAP). There are limited exceptions to this rule. Eligible producers who meet the definition of Socially Disadvantaged, Limited Resource, or Beginning Farmer or Rancher do not have to meet this requirement.

#### **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**

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.

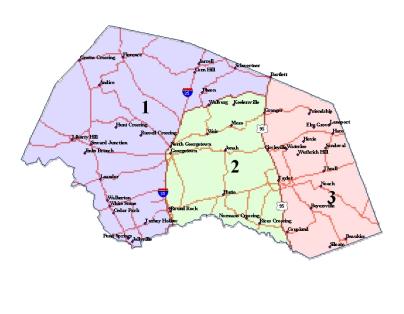
## **Bank Account Changes**

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 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.

#### **FSA Signature Policy**

Husbands and wives may sign documents on behalf of each other as individuals for FSA programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office by either spouse. However, one spouse may not sign for the other spouse in a partnership, joint venture, corporation or other similar entity without specific written authority. Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents.

# Williamson Co. LAA Map



## **Weekly Radio Announcements**

For Weekly FSA updates tune in to KMIL 105.1 FM each Wednesday at 11:45 AM. If you have internet access you can "listen live" at www.kmil.com.

Printed on 06/20/2005

#### **FSA Office Changes Mailing Address**

The Williamson County FSA Office Mailing Address has changed to the following:

1100 Martin Luther King St., Ste B, Georgetown, Texas 78626

#### **FSA Newsletters**

Due to budget constraints the mailing of quarterly newsletters has been discontinued by FSA Offices. However, newsletters will continue to be available for pick-up at the Williamson FSA Office and will be sent electronically to producers that have enrolled in the new "GovDelivery" System.

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, Director, Office of Civil Rights, 1400 Independence Avenue, SW., Washington, DC 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

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