

MAY 2013



Chatham County FSA Updates

Chatham County FSA Office

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Conservation Reserve General Sign-Up Announced

FSA will conduct a four-week Conservation Reserve Program (CRP) general sign-up beginning May 20 and ending on June 14. CRP is a voluntary program available to agricultural producers to help them safeguard environmentally sensitive land for conservation benefits. Producers accepted in the sign-up plant long-term, resource-conserving covers to improve the quality of water, control soil erosion and enhance wildlife habitat. In return, USDA provides participants with rental payments and cost-share assistance. Contract duration is between 10 and 15 years.

Currently, about 27 million acres are enrolled in CRP nationwide, 106,640 acres in North Carolina. Contracts on an estimated 3.3 million acres of CRP are set to expire on September 30, 2013, 7804 of those acres in North Carolina. As always, FSA expects strong competition to enroll acres into CRP, and interested producers are urged to maximize their environmental benefits and to make cost-effective offers. **Producers should keep in mind that the land must have a cropping history of 4 of the 6 years, 2002 – 2007.** Offers for CRP contracts are ranked according to the Environmental Benefits Index (EBI). USDA's Farm Service Agency (FSA) collects data for each of the EBI factors based on the relative environmental benefits for the land offered. Each eligible offer is ranked in comparison to all other offers nationwide and selections made from that ranking. FSA uses EBI factors such as wildlife, air quality, and on-farm costs to assess the environmental benefits for the land offered. For more information on CRP and other FSA programs, visit the Chatham County FSA Service Center at 65 E Chatham Street, Pittsboro or call 919-542-2244 ext. 2. Visit www.fsa.usda.gov for additional information.

Guaranteed Loan Program

FSA guaranteed loans provide lenders (e.g., banks, Farm Credit System institutions, credit unions) with a guarantee of up to 95 percent of the loss of principal and interest on a loan. Farmers and ranchers apply to an agricultural lender, which then arranges for the guarantee. The FSA guarantee permits lenders to make agricultural credit available to farmers who do not meet the lender's normal underwriting criteria. FSA guaranteed loans are for both Farm Ownership and Operating purposes. Like the Direct Loan Program, a percentage of Guaranteed Loan funds are targeted to beginning farmers and ranchers and minority applicants. The Farm Service

Agency loan limit for the Guaranteed Loan Program has increased to \$1,302,000. The limit is adjusted annually based on data compiled by the National Agricultural Statistics Service. The lending limit increases every year according to an inflation index. The maximum combined guaranteed and direct farm loan indebtedness has increased to \$1,602,000. As a reminder, the one-time loan origination fee charged on FSA guaranteed farm ownership and operating loans is 1.5 percent of the guaranteed portion of the loan. Producers with questions should contact Bill Rhodes at 704-788-2107 ext. 115.

Direct & Counter Cyclical (DCP) Sign-Up

Signup continues for the Direct & Counter Cyclical Program (DCP) through **August 2, 2013**. Please be reminded that you also must complete a crop report of your farm in order to receive the DCP payment. **The crop reporting deadline is July 15**. Also please be advised that the 2008 Farm Bill provides that producers on farms with DCP base acres of 10.0 acres or less will not receive a DCP payment, unless the farm is owned by a socially disadvantaged or a limited resource farmer. Please call the office at 919-542-2244 ext. 2 to set up an appointment to complete DCP contract for the 2013 crop year or to acquire any further information. Updated Average Gross Income certifications are also required. Please allow at least 30 minutes for your visit to enroll in the DCP program.

SURE Deadline Approaching

The Supplemental Revenue Assistance Program (SURE) sign up deadline is June 7, 2013. SURE provides benefits for farm revenue losses due to **natural disaster that were incurred by September 30, 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 Non-Insured Assistance Program (NAP) except for grazed acreage. However, 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 and ranchers who meet the definition of Socially Disadvantaged, Limited Resource, or Beginning Farmer or Rancher are exempt from the risk management purchase requirement. A farm enrolled in SURE is eligible when either:

- a portion of the farm is located in a county covered by a qualifying natural disaster declaration (USDA Secretarial Declarations only) or a contiguous county; or,
- the actual production is less than 50% of the normal production.

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. Producers who had a loss in 2011 should contact the Chatham Farm Service Agency for additional information.

Preventing Fraud

The Farm Service Agency supports the Risk Management Agency in the prevention of fraud, waste and abuse of the Federal Crop Insurance Program. FSA has been, and will continue to, assist RMA and insurance providers by monitoring crop conditions throughout the growing season. FSA will continue to refer all suspected cases of fraud, waste and abuse directly to RMA. Producers can report suspected cases to the FSA office, RMA, or the Office of the Inspector General.

County Office Holiday Closing

The Chatham County FSA Office will be closed Monday, May 27, in observance of Memorial Day.

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).