

April 2013



Chatham County FSA Updates

DEAR PRODUCERS: Welcome to the GovDelivery bulletins and updates service from your Chatham County FSA office. Note that you are welcome to request to receive bulletins from more than one state and/or county and can add or remove individual subscriptions at any time.

Chatham County FSA Office

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County Committee:
Clarence L Durham, Chair
John S Glosson, Vice-Chair
Billy Fitts, Member
Martin N Mason, Advisor
Doris P Thomas, Advisor

Rural Youth Loans

The Farm Service Agency makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience.

The maximum loan amount is \$5000.

Youth Loan Eligibility Requirements:

- * Be a citizen of the United States or a legal resident alien
- * Be 10 years to 20 years of age
- * Comply with FSA's general eligibility requirements
- * Reside in a rural area, city or town with a population of 50,000 or fewer people
- * Be unable to get a loan from other sources
- * Conduct a modest income-producing project in a supervised program of work as outlined above
- * Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision. Contact Bill Rhodes at 704-788-2107 ext. 115 for help in preparing and processing the application forms.

Acreage Reporting

Producers are reminded to report their planted acreage to FSA. Crop reports are required to earn payments in many programs. Crop reports must account for all cropland on a farm, whether idle or planted. **All spring or summer seeded crops (corn, soybeans, sorghum, grass, tobacco, cotton, CRP, and fruits or vegetables) must be reported by July 15.** Prevented planting and failed acreage should also be reported. Prevented planting occurs when a crop cannot be planted during the established

planting period because of a natural disaster. Prevented planted acres must be reported timely while there is still evidence of the natural disaster. Failed acreage is timely planted acreage with the intent to harvest, but because of disaster related conditions, the crop failed before it could be harvested. Acreage reports for failed acreage must be filed before disposition of the crop and producers must be able to establish, to the satisfaction of the County Committee, that the crop failed or was prevented from planting because of a natural disaster.

Farm Safety

Flowing grain in a storage bin or gravity-flow wagon can be fatal. It takes less than five seconds for a person caught in flowing grain to be trapped. The mechanical aspects of grain handling equipment, also presents a real danger. Augers, power take offs, and other moving parts can grab people or clothing. These hazards, along with pinch points and missing shields, are dangerous enough for adults; not to mention children. It is always advisable to keep children a safe distance from operating farm equipment. Always use extra caution when backing or maneuvering farm machinery. Ensure everyone is visibly clear and accounted for before machinery is engaged. FSA wants all farmers to have a productive crop year, and that begins with putting safety first.

Adjusted Gross Income

USDA and the Internal Revenue Service 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. No actual tax data will be included in the report that IRS sends to FSA. This ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs. Participants in CCC programs subject to average AGI rules must submit form CCC-933 to their local FSA County Office to avoid interruption of program benefits. This form may be obtained from the Chatham County FSA office or online at: <http://forms.sc.egov.usda.gov/eforms/mainervlet>.

FSA Signature Authority

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. For more clarification on spousal signature authority, feel free to contact the Chatham County FSA office.

Farm Storage Facility Loans

The Farm Storage Facility Loan Program (FSFLP) allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities. The new maximum principal amount of a loan

through FSFL is \$500,000. Participants are now required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. New loan terms of seven, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the U.S. Treasury Department. Payments are available in the form of a partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount. Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin. For more information about FSFL please visit the Chatham County FSA office or www.fsa.usda.gov.

USDA is an equal opportunity provider and employer. 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 20250-9450, 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).