

# USDA



## **Bonneville FSA Service Center**

1120 E Lincoln Rd. Ste.B  
Idaho Falls, ID 83401

Phone: (208) 522-6250  
FAX: (208) 522-0280

### **Hours:**

Monday – Friday  
8:00 am - 4:30 pm

### **County Executive Director:**

Colleen Mann *Ext. 104*

### **Staff:**

Megan McGuire *Ext. 100*  
*Program Technician*

Tammy Pfeifer *Ext. 107*  
*Program Technician*

Lynelle Simmons *Ext. 105*  
*Program Technician*

### **Farm Loan Program Manager:**

Curtis Warner  
208-356-5701 ext. 110

### **County Committee:**

Bryon Reed  
Jerry Schluter  
Blaine Simmons

### **Advisor:**

Jean Schwieder

### **Next COC meeting**

February 10, 2010,  
10:00 a.m.



# Bonneville FSA News

February 2010

## **Committee Election Results**

County Committee (COC) election results were very positive for the Local Administrative Area 3 (LAA-3). Sixty nine total votes were counted electing LAA-3 Representative **Jerry Schluter** to a 3-year term. Second place as alternate is **Trent Talbot**. Congratulations and welcome aboard!

Bonneville County recently held their committee organizational meeting. Member Bryon Reed was selected as COC Chair, Blaine Simmons Vice Chair and Jerry Schluter as COC member. The COC made a recommendation for Jean Schwieder to continue as minority advisor.

Committee meetings are held on the second Wednesday of every month at 10:00 a.m. Please let us know if you would like to attend a regular session of the meeting.

## **CRP Maintenance Reminder**

Is that an undesirable weed on my CRP or is it a beneficial forbs or legumes? Maintaining Conservation Reserve Program (CRP) contract acres is the responsibility of the contract participant.

In general, the contract requires the participant to maintain the vegetative cover that was established for the contract, free of any undesirable weeds or trees unless trees were specifically planted on the CRP acreage according to a plan. Re-establishment of any destroyed cover is the participant's responsibility.

Maintenance activities may not occur during the April 1 to August 1 primary nesting season.

Do not be tempted to hay or graze CRP unless this activity is approved by the local FSA office.

It may be convenient, but storage of any type such as hay, equipment, etc., is not allowed on CRP.

Commercial use cannot be made of the acreage. The CRP acreage is intended to support the approved vegetative cover to

assist with wildlife enhancement, erosion control, and water quality.

CRP participants are to report all commercial or residential developments on CPR prior to the destruction of the CRP vegetative cover (e.g. installation of pipelines, well sites, residential, commercial building sites, wind turbines, test towers, etc.) Any activity of this type will require a repayment of previous payments received in the CRP; therefore, **it may be beneficial to know the cost of removing this type of land from CRP for your private transaction negotiations.**

Recreational hunting, consistent with state law, is permissible except during the April 1 to August 1 nesting season. Contact your local FSA office on any CRP issue to ensure your contract's compliance.

## **Commodity Loan Reminder**

Producers are reminded that grain under CCC loan cannot be removed without prior authorization or repayment. Unauthorized removal and unauthorized disposition of loan collateral is considered a violation and is subject to monetary and administrative penalties.

Producers who are removing 2009 crop grain in preparation for harvest of the 2010 crop must obtain approval from the county FSA office prior to moving the grain if the commodity is under CCC loan. That includes movement from bin to bin, or movement off the farm to a warehouse or any other location.

The loans are subject to spot check. Determined shortages must be repaid with principal plus interest, and additional monetary penalties plus loss of future loan eligibility may apply.

**If in doubt call before removing ANY grain under loan.** Unauthorized removal cases could be subject to OIG (Office of Inspector General) investigation.

\* If you plan on delivering over the weekend, please call the office the Friday before and not the following Monday.

## **SURE**

Currently SURE Program sign ups are being taken for the 2008 Crop Year. The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disaster that incurred starting in the crop year 2008 through September 30, 2011. To be eligible for SURE payments, a producer is required to obtain crop insurance on all crops of economic significance in all counties or, if crop insurance is not available, to participate in the Non-Insured Assistance Program (NAP) except for grazed acreage.

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.

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
- The crop of economic significance must be 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
- The farm experiencing the loss must be in a county declared a disaster county by the Secretary of Agriculture, or in contiguous counties. Those who show proof of an individual loss of at least 50% are also eligible to receive SURE payments for production losses 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.

A SURE calculator is available at:

[http://www.fsa.usda.gov/Internet/FSA\\_File/sure\\_calculator\\_2008.xls](http://www.fsa.usda.gov/Internet/FSA_File/sure_calculator_2008.xls). The calculator is not official, but is intended for educational use. A fact sheet and Q & A are also available online at [www.fsa.usda.gov](http://www.fsa.usda.gov).

## **ACRE**

The optional ACRE Program provides a safety net based on revenue losses and acts in place of the price-based safety net of counter-cyclical payments under DCP. The June 1, 2010, 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. For 2010, the 2-year price average will be based on the 2008 and 2009 crop years.

Payments are based on planted or prevented planted acres of commodity crops. In order to receive a payment for the crop, there must be both a state and farm revenue loss. The total number of planted acres for which a producer may receive ACRE payments may not exceed the total base on the farm. In exchange for participating in ACRE, a farm's direct payment is reduced by 20%, and marketing assistance loan rates are reduced by 30%. Counter-cyclical payments are not earned under the ACRE program.

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.

## **Adjusted Gross Income**

USDA has a Memorandum of Understanding with the Internal Revenue Service to establish an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent will be required from each producer or payment recipient for the IRS review process. No actual tax data will be included in the report that IRS sends to USDA.

The agreement 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-927 (Individual) and/or CCC-928 (Legal Entity) to the Internal Revenue Service by June 15 to avoid interruption of program benefits. These forms may be obtained from local FSA and NRCS offices or online at:

<http://forms.sc.egov.usda.gov>

## **NAP Coverage Deadlines**

Be sure to contact your local FSA office for the Noninsured Crop Disaster Assistance Program (NAP) filing deadlines for your crops. NAP applications are due at different times according to the crop being insured. Producers should apply for 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 crop sales closing date.

The current service fee is \$250 per crop per county with a maximum of \$750 per producer per county. The fee cannot exceed a total of \$1875 per producer for individuals with farming interests in multiple counties. Limited resource producers may request a waiver for service fees.

## **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.

## **Foreign Buyers Notification**

The Agricultural Foreign Investment Disclosure Act (AFIDA) 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.

All individuals who are not U.S. citizens, and 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 (FSA-153) 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.

## **Marketing Assistance Loans**

Marketing Assistance Loans for crop years 2009 through 2012 are available to producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop through the length of the nine month loan.

Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; and title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan even if you regain beneficial interest.

Commodity loan eligibility also requires you comply with conservation and wetland protection requirements; beneficial interest requirements report what crops have been planted on the farm and ensure that the commodity meets Commodity Credit Corporation (CCC) minimum grade and quality standards. For commodities to be eligible they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Producers do not have to participate in the Direct and Counter-Cyclical Program to be eligible for commodity loans.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans.

The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification. Prior authorization by your local FSA office is required.

## **Farm Loan Programs**

The FSA offers loans for eligible farmers and ranchers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances,

borrowers might have suffered setbacks from natural disasters or might be persons with limited resources.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,112,000. Emergency loans are always direct loans for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth Loans, Loans to Beginning Farmers and loans for socially disadvantaged applicants are also available.

For details please contact the county office staff for an appointment with a farm loan officer

## **Loans for the Socially Disadvantaged**

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of Socially Disadvantaged Applicants.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders.

If producers or their spouses believe they would qualify as socially disadvantaged, they should contact their local FSA office for details. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

## **BCAP**

The Biomass Crop Assistance Program (BCAP) provides financial assistance to producers or entities that sell and deliver eligible biomass material to qualified biomass conversion facilities (BCF) for use as heat, power, bio-based products or bio-fuels. Initial assistance will be for the collection, harvest, storage and transportation (CHST) costs associated with the delivery of eligible materials. Producers or entities who sell and deliver these materials can apply for FSA matching payments up to \$45 per dry ton.

An application must be submitted before the eligible material is sold and delivered to a BCF. After the product is delivered, a producer must provide FSA with documentation of product quantity, quality and payment rate. County offices will validate payment requests with information in the county office. For more information, find the BCAP page of details at [www.fsa.usda.gov](http://www.fsa.usda.gov).

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### **Help Available to Stressed Farmers**

In the past year, the economy, inclement weather, drought and other factors have hurt many farming operations around the country. These events pushed some farmers to the emotional breaking point. Watching their livelihood being threatened is difficult for farmers and ranchers and especially for those who care about them. The National Suicide Prevention Hotline is available to help. If you know a farmer or rancher who is under stress and is reluctant to ask for help, or if you just need to talk to someone, call 1-800-273-TALK (8255). Your call will be routed to the crisis center nearest you, where trained staffers are available 24/7. This nationwide service is free and confidential. Help is just a phone call away. For more information, go to <http://www.suicidepreventionlifeline.org/>. This service is not affiliated with the US Department of Agriculture.

### ***2010 Dates to Remember!***

- Ongoing** : Continuous CRP signup
- February 10** : COC meets at 10:00 a.m.
- February 15** : Presidents Day – Office closed
- March 1** : deadline to make 2008 SURE application
- June 1** : 2010 DCP/ACRE sign-up deadline

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