July 2009

Lewis County FSA News

Lewis County USDA Service Center

Lewis County FSA
521 Oak St, Room 9
Nezperce ID 83543
208-937-2291 (phone)
208-937-2234 (fax)
www.fsa.usda.gov

Hours
Monday - Friday
7:00 a.m. - 4:30 p.m.

County Committee
David Baldus
Nathan Riggers
Dennis Behler
Steve Meek

Staff
Karel Wemhoff, CED
Vicky Riggers, PT
Jennifer Lux, PT
Justin Allen, PT

FSA Committee meetings are open to the public. Regular COC meetings are held the second Thursday of each month at the Nezperce USDA Service Center, beginning at 8:00 a.m.

FSA COC Nomination Deadline

County committee members play a crucial role in helping the county office staff implement the Farm Bill Programs. . Right now, producers can have an impact on the election of the county committee by nominating eligible candidates by the August 3, 2009, deadline.

To become a nominee, eligible individuals must complete and sign form FSA-669A. The form and other valuable information about FSA county committee elections are available online at: http://www.fsa.usda.gov; click on News & Events, then County Committee Elections. Nomination forms for the 2009 election must be postmarked or received in the local USDA Service Center by close of business on Aug. 3, 2009.

FSA county committee members make decisions on disaster and conservation programs, emergency programs, commodity price support loan programs and other important agricultural issues. Members serve three-year terms. Nationwide, there are more than 7,800 farmers and ranchers serving on FSA county committees. Committees consist of three to five members who are elected by eligible local producers.

FSA will mail ballots to producers beginning Nov. 6, 2009. The completed ballots are due back at the local county office by Dec. 7, 2009 either via mail or in person. .

DCP & ACRE Signup Deadline

Signup for the 2009 Direct and Counter-cyclical Payment (DCP) Program has been extended until August 14, 2009. Signup in the ACRE option is also available through August 14, 2009. FSA will not accept any late-filed applications.

FSA computes DCP Program payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2009, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. Counter-cyclical payment rates vary depending on market prices and are issued only when the effective price for a commodity is statutorily set below its target price.

This new ACRE program is authorized by the 2008 Farm Bill that began in crop year 2009. Through ACRE, USDA offers producers an alternative to Direct and Counter-cyclical (DCP) payments. The ACRE alternative provides eligible producers a state-level revenue guarantee, based on the 5-year state Olympic average yield and the 2-year national average price. ACRE payments are made when both state- and farm-level triggers are met. By participating in ACRE, producers elect to forgo counter-cyclical payments, receive a 20-percent reduction in direct payments and a 30-percent reduction in loan rates. A decision to elect ACRE is irrevocable and binds the producer to the program through the 2012 crop year. An online calculator and ACRE fact sheet is available to producers by going to www.fsa.usda.gov and clicking on *Direct and Counter Cyclical Program/Acre* in the subject area on the left-hand side of the page and then following the link to the spreadsheet.

Online Services

Producers, if you have Internet access you can electronically log on, fill out and print a variety of FSA paper forms in the comfort of your home as your schedule allows. You can also register for secure electronic access that will allow you to electronically sign and transmit some forms directly to the county office staff. If you are new to the website, first you will want to obtain a Level 2 USDA Service Center Customer ID and password at: http://www.eauth.egov.usda.gov/ and then click on "*Create an Account Page*" link.

USDA eAuthentication is the system used by USDA agencies to enable customers to obtain accounts that will allow them to access

USDA Web applications and services via the Internet. This includes things such as submitting forms electronically, filing eLDPs, completing DCP contracts, filling out surveys online, and checking the status of your USDA accounts.

Pulse Crop Bases

Information was recently mailed to owners and operators informing them of their options regarding the addition of pulse crop bases to the farm. The information included an acreage history of peas, lentils and chickpeas (as well as other program crops) grown between the base years of 1998-2001, and the number of acres available for additional bases on the tract. All owners of each tract must sign and agree to the option designated in Block 6 of Form FSA-524:

1. No pulse crop bases are added to the tract
2. Eligible pulse crop bases are added to the extent available without affecting current bases such as wheat, barley , oats and oilseeds
3. Maximum eligible pulse crop bases are added, with possible corresponding decrease of current bases such as wheat, barley, oats and oilseeds.

Yields will be established equal to 75% of the county average yield, unless actual production records for the base years (1998-2001) are provided prior to August 14th.

Contact the county office for more information.

Farm Reconstitutions

For FSA program purposes, tracts having the same owner and the same operator are grouped 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. Remember, to be effective for the current year, recons must be requested by **August 1** for farms enrolled in specific programs.

The following are the different methods used when doing a farm recon:

Estate Method — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method — 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;

DCP Cropland Method — 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;

Default Method — 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.

Successor In Interest

Many FSA programs will allow payments to be made to heirs or successors when a program participant passes away. Additionally, contracts in programs such as CRP must be revised to reflect the successor(s) to a deceased participant's interest.

In the event of an FSA program participant's death, it is important that FSA be notified. Entities and joint operations that participate in FSA programs also need to notify FSA if a shareholder or member passes away. Since FSA benefits are reported to IRS, maintaining current, accurate records about participants is vital to ensure that those payments are reported correctly.

Foreign Landowner 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.

Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA within 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, real estate agents, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

FSA Farm Loans

The Farm Service Agency (FSA) offers loans for 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 elsewhere. In many cases,

applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, borrowers may have suffered setbacks from natural disasters or may have 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 $1,094,000. 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 through FSA.

For details on loan eligibility or available loan programs, contact the county office staff for an appointment with a farm loan officer.

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 Ag 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 (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) 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.

Stop by the county office for help preparing and processing the application forms. The FSA staff can help you with questions you may have about a particular program.

Beginning and Limited Resource Farmers

FSA assists beginning farmers and or members of socially disadvantaged groups to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more that 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county's average size.

Each member of an entity must meet the eligibility requirements. Loan approval is not guaranteed.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit www.fsa.usda.gov .

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. Applicants must fully qualify and be unable to obtain credit from another source.

Lewis County FSA Office
521 Oak Street, Room 9
Nezperce ID 83543

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Crop Reporting Deadline Extended to Aug. 14, 2009.

Crop Insurance Decisions

To maintain eligibility for the Supplemental Revenue Assistance Payments (SURE) and to qualify for disaster assistance, producers must obtain a policy or plan of insurance of at least catastrophic (CAT) level coverage for crop year 2010. Note: the more crop insurance coverage a producer has, the more the SURE guarantee will be.

Therefore, producers with fall planted commodities need to be making important crop insurance decisions for the 2010 crop year. Producers are encouraged to contact their local FSA office and visit with a crop insurance agent (a list of agents is available at all USDA Service Centers) to fully understand what crop insurance programs are available in the county and to ensure they are obtaining adequate coverage for eligibility. The next round of sales closing dates for Federal crop insurance is:

August 31: Canola and Onions (fall planted types); September 30: Barley with winter coverage; dry peas with winter coverage; mint with winter coverage; forage production; forage (alfalfa) seed pilot; and wheat.

Note: The Adjusted Gross Revenue-Pilot and Adjusted Gross Revenue-Lite programs do meet the linkage requirements for SURE. Also, if there is no crop insurance coverage in a county for a specific crop, and that crop is insurable in another county under the traditional Federal crop insurance program, a producer may seek coverage by asking an agent whether they would be eligible for crop insurance coverage under a written agreement.

A 2010 Multi-Peril Crop Availability Listing by county is posted on RMA website, http://www.rma.usda.gov/aboutrma/fields/wa_rso/. Producers are encouraged to contact their local agent for additional details. In addition to USDA Service Centers, a listing of crop/livestock agents is also available at, www3.rma.usda.gov/tools/agents).

Dates to Remember	
Aug. 3, 2009	Deadline to file COC Nomination
Aug. 14, 2009	DCP / ACRE Signup Deadline
Sept 7, 2009	Office closed in observance of Labor Day
Continuous	Continuous Conservation Reserve Program

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