



Ohio State FSA Newsletter

August 2009

ACRE Enrollment Deadline Is Less Than a Week Away

Farm Service Agency (FSA) would like to remind producers that the sign-up deadline to elect the new Average Crop Revenue Election (ACRE) program is **August 14, 2009**. "I encourage all producers to visit their local FSA office to evaluate and consider whether ACRE is right for your farm," Drake said. "ACRE provides producers an alternative to counter-cyclical payments and producers should make use of the opportunity to choose the option that better meets their needs."

ACRE provides a valuable new risk-management tool for producers. ACRE was created in the 2008 Farm Bill, and offers a revenue-based alternative to the traditional Direct and Counter-Cyclical Program (DCP). Producers may elect to participate in ACRE even if they have already received an advance DCP payment for 2009. Late-filed applications for ACRE or DCP will not be accepted.

FSA county office staff can answer many questions on program rules, application procedures and potential benefits. "Our county office staff has an ACRE Calculator for producers to use who still have questions about ACRE," Drake stated. This calculator is a practical user-friendly tool that will help landowners and operators better understand the potential impact of ACRE participation on their farming operation. "I encourage all landowners and operators in Ohio to visit their local FSA office and set down with our staff and use the ACRE Calculator," Drake added.

FSA has also launched an ACRE webpage, with educational information, located at <http://www.fsa.usda.gov/dcp>. The deadline for producers to enroll is **Aug. 14, 2009**. For more information about ACRE program or to use the ACRE Calculator tool, visit your local FSA office today.

Maintaining Stored Grain Quality

Throughout the summer, producers are reminded to keep an eye on the condition and quality of the stored grain. Remember to contact your local FSA office if you notice changes in the condition and quality of the stored grain.

Crop Reporting Deadline

For 2009, the final crop reporting dates have been **extended to August 14, 2009**. Late fees will not be applied if acreage reports are filed by August 14 and all other reporting requirements are met.

Filing an accurate and timely report for all crops and land uses, including prevented planted and failed acreage can prevent loss of benefits for a variety of Farm Service Agency programs. All cropland on the farm must be reported to receive benefits from the Direct and Counter-cyclical Program, ACRE, Marketing Assistance Loans and Loan Deficiency Payments.

Report of acreage must account for all cropland on a farm, whether idle or planted.

CRP & NAP Certification

Conservation Reserve Program acreage must be reported to receive annual rental payments. And, crop acreage for Non-insured Crop Disaster Assistance Program (NAP) must also be reported.

Farm Service Agency Direct Deposit Payments Delayed

Beginning Aug. 3, 2009, the Farm Service Agency (FSA) and Commodity Credit Corporation (CCC) payments made by direct deposit will be transmitted by Kansas City to the Treasury Department. This allows FSA to be compliant with the Debt Collection Improvement Act of 1996 (DCIA), which requires that Federal payments be processed through the Treasury Offset Program, so that any delinquent Federal debt can be offset.

As a result of this processing change, direct deposit payments will be credited to the recipient's account 1 day later. Also, the description on the bank statement of Direct Deposit Payees will change and the bank statement will read, "FSA TREAS 310" for all payments that are disbursed by Treasury Department.

For more information or questions about the change in direct deposit payments, please visit your local FSA office.

Visit our website at:
www.fsa.usda.gov/oh



DCP Sign-up Deadline Quickly Approaching

The sign-up deadline for the 2009 Direct and Counter-cyclical Payment (DCP) Program is **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.

Producers can also use the electronic DCP (eDCP) service, which will save you time, reduce paperwork and speed up contract processing at FSA offices. It is available to anyone eligible to participate in the DCP Program. To access this online service, you must have an active USDA eAuthentication Level 2 account, which requires filling out an online registration form at: <http://www.eauth.egov.usda.gov> followed by a visit to the local USDA Service Center for identity verification.

Producers that have completed these steps and have an active USDA eAuthentication Level 2 account can access the eDCP service online at: <http://www.fsa.usda.gov/dcp> and then click on the link "Access eDCP/eACRE Online Services" which is located under the "I Want to..." section. Lastly, click on the "Access eDCP/ACRE Service" link.

June MILC Payments on Their Way to Dairy Farmers

Producers participating in USDA's Milk Income Loss Contract (MILC) program will receive payments for the month of June. USDA makes MILC payments on a monthly basis when the Boston Class I milk price falls below \$16.94 per hundredweight as adjusted for feed costs.

USDA determines the per hundredweight payment rate for the applicable month by subtracting the Boston Class I price for that month from the \$16.94 MILC payment trigger price, established in the 2008 Farm Bill, as adjusted for feed costs, and multiplying the difference by 45 percent. The monthly Boston Class I price along with final MILC payment rates are posted online at: <http://www.fsa.usda.gov/FSA>.

The MILC payment trigger price of \$16.94 is adjusted upward when the National Average Dairy Feed Ration Cost for a month is greater than \$7.35 per cwt. USDA's National Agricultural Statistics Service recently released the data for determining the Average Dairy Feed Ration Cost for the month of June on July 31, 2009. Using this information and the formula contained in the 2008 Act, the MILC payment trigger for the month of May has been adjusted to \$17.42, for a final MILC payment rate of \$ 1.84114.

For more information about the MILC program, please visit your local FSA office or go online to: <http://www.fsa.usda.gov/FSA>.

NAP Coverage

The Non-Insured Crop Disaster Assistance Program (NAP) was designed to reduce financial losses that occur when natural disasters cause a catastrophic loss of production or prevented planting of an eligible crop by providing coverage equivalent to FCIC catastrophic (CAT) insurance. Statute limits NAP to each commercial crop or agricultural commodity, except livestock, for which CAT insurance is not available.

The application and service fee deadline for the 2010 NAP coverage on Winter Wheat, Rye, Barley and Speltz is **Sept. 30, 2009** in Ohio.

Producers who already have coverage on 2009 NAP crops may choose to continue coverage on the same crop or crops for 2010, if the applicable service fee is submitted by Sept. 30, 2009. A new CCC-471, application for coverage is not required to be signed when applying for continuous coverage of the same crop or crops.

Producers who choose to add a new crop(s) or delete a crop(s) from previous year's coverage or changing crop shares must file a new CCC-471 with signatures and pay the applicable service fee. The service fee is \$250 per crop per county or \$750 per producer per county. The fee cannot exceed a total of \$1875 per producer with farming interest in multiple counties.

Producers with NAP coverage must remember to complete the following to remain eligible for NAP benefits:

- Timely file acreage reports and keep track of harvested production using acceptable methods. For example, bale weights or other means of determining quantities of hay are required.
- File a "Notice of Loss" within 15 days of when a loss is apparent, so the loss can be appraised and production counted before the crop is put to another use, abandoned or destroyed.

For more information on NAP coverage, please contact your local FSA office.

Selected Interest Rates for August 2009	
90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	2.500%
Farm Ownership Loans — Direct	4.625%
Farm Ownership Loans — Down Payment	1.500%
Emergency Loans	3.750%
Farm Storage Facility Loans	3.125%
Sugar Storage Facility Loans	4.250%
Commodity Loans 1996-Present	1.500%

Attention Conservation Reserve Program (CRP) Participants – A Word on Properly Maintaining your CRP Grass Cover to Avoid Penalties

As a CRP participant you have agreed to establish and maintain CRP program acres according to the Conservation Plan of Operations (CPO) and the CRP-1 Appendix. You should have a copy of both of these documents. If you don't have these, contact this office and ask for copies.

Once the practice is established you are responsible for properly maintaining the cover to:

- Control noxious weeds, woody vegetation and invasive species; and
- Ensure erosion control.

Any activity to maintain your cover cannot occur during the primary nesting season of March 1 through July 15th unless special permission from FSA is granted. The primary nesting season has ended for this year. That doesn't mean you can mow all the CRP acres. That would be a violation of your CRP contract and could result in loss of payments or other penalties.

Any activity to maintain your CRP cover is limited to the area where treatment is needed to control erosion, noxious weeds, trees or other woody species, or invasive species. Treatment may involve reseeding and leveling washed out areas, or spot mowing or spot spraying to control unwanted vegetation only. Other than these activities the cover shall be left alone. The only exception is grass waterway practices which may be mowed at certain times according to the CPO.

CRP practices not only help control erosion and improve water quality; they also are great habitat for wildlife, from bugs to bees to birds. Disturbing the cover may reduce the effectiveness of the practice for wildlife and other purposes.

If you feel you need to conduct an activity that will disturb your CRP cover for reasons other than stated above, please contact this FSA Office to learn what penalties may be imposed for non-compliance violations or to discuss your CRP contractual agreement. Your CRP grass practice may not be a beautiful stand of solid grass but the diversity of a grass/forb cover equally serves the purposes of erosion control and water quality and at the same time enhances wildlife habitat. In the case of CRP grass covers, sometimes doing less is better.

CREP, SAFE & Continuous CRP Available

At this time USDA has no general sign-ups scheduled for the Conservation Reserve Program (CRP) in 2009. However, environmentally sensitive acreage qualifying for the Conservation Reserve Enhancement Program (CREP), Conservation Reserve Program State Acres For Wildlife Enhancement (SAFE) Practice, and Continuous CRP will still be eligible for enrollment. These targeted programs remain funded, and continue to provide a heightened environmental benefit on select areas. Practices that may be enrolled under these programs include: grass waterways, wetlands, filter strips and quail buffers.

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.

While all qualified producers are eligible to apply for these loan programs, the FSA has targeted 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.

For detailed information on loan eligibility or the different loan programs available, contact your local FSA office to setup an appointment with a Loan Approval Official. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

Livestock Indemnity Program

Eligible livestock producers can now apply for benefits under the provisions of the Livestock Indemnity Program (LIP) in the 2008 Farm Bill which began on July 13.

The LIP provides assistance to producers for livestock deaths that result from disaster. Using funds from the Agricultural Disaster Relief Trust Fund established under section 902 of the Trade Act of 1974, the program is administered by the USDA FSA. LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to hurricanes, floods, blizzards, disease, wildfires, extreme heat and extreme cold. Eligible losses must have occurred on or after Jan. 1, 2008, and before Oct. 1, 2011.

The following table provides the final dates to file a notice of loss and/or application for payment for either 2008 or 2009 livestock losses.

Date of Livestock Death	Final Date to File a Notice of Loss	Final Date to Submit an Application for Payment
Calendar Year 2008	Sept. 13, 2009	Sept. 13, 2009
Jan. 1, 2009 to July 12, 2009	Sept. 13, 2009	Jan. 30, 2010
July 13, 2009 to Dec. 31, 2009	30 days after death is apparent	Jan. 30, 2010

Specific provisions for the other supplemental agricultural disaster assistance programs authorized by the 2008 Act -

the Livestock Forage Disaster Program (LFP), the Supplemental Revenue Assistance Program (SURE), the Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish (ELAP) and the Tree Assistance Program (TAP) - will be implemented through separate rulemakings and announced at a later date.

For more information on available supplemental disaster assistance programs, please visit your FSA county office or <http://www.fsa.usda.gov>.

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.

Dates to Remember	
Aug. 3	Last day to file County Committee Nomination forms.
Aug. 14	Sign-up Deadline for DCP and ACRE Programs.
Aug. 14	Final certification date for all crops. Late fees will be assessed after Aug. 14.
Sept. 7	Labor Day Holiday. FSA Offices Closed.
Sept. 13	Final Date to File a Notice of Loss and submit an Application for Payment for the LIP in Calendar Year 2008.
Sept. 13	Final Date to File a Notice of Loss from Jan. 1, 2009 through July 12, 2009 for LIP.
Sept. 30	Deadline to obtain 2010 NAP coverage for Winter Wheat, Rye, Barley and Speltz.
Oct. 12	Columbus Day Holiday. FSA Offices Closed.
Continues	Farm Storage Facility Loan Program.
Continues	Continuous Conservation Reserve program.

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