



Caledonia/Essex County Updates

February 2010

Farm Service Agency

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Hours

Monday - Friday
8:00 a.m. - 4:30 p.m.

County Committee

Burt Patenaude, Chair
Robert Porter, Vice Chair
William Nelson, Member
Darcy Smart, Member
Heather Trudeau, Member

COC meets 2nd Thursday of each month at 10:30 am

County Executive Director

Patricia Passut, ext 104
patricia.passut@vt.usda.gov

Program Staff

Patty Matte, ext 100

Farm Loan Staff

(802) 334-6090 or
1-866-241-2190 (toll free)
Brian Kuper, FLM
Dorcas McAllister, FLO
Meghan Dubois, FLO

NRCS Staff

www.nrcs.usda.gov
Nick Comerci, ext 101
Jacob Clough, ext 117

NRCO Staff

Kerry O'Brien, ext 110
Tamara Stevens, ext 114
Brandon Carpenter, ext 106

Rural Development

www.rd.usda.gov
Steve Campbell, ext 102
Mark Koprowski, ext 120
Suzanne Smith, ext 112



REMINDER

The office will be closed February 15, 2010 in observance of Washington's Birthday.

County Committee Election Results

Congratulations to Heather Trudeau! Heather was elected to represent farmers from Hardwick, Sheffield, Stannard, Sutton, Walden, and Wheelock on the county committee (COC). The election results for Local Administrative Area 1 are:

Heather Trudeau — Elected to the county committee with 23 votes,
Timothy Simpson — Elected 1st alternate to the county committee with 22 votes,

Congratulations to Darcy Smart! Darcy was elected to represent farmers from Brunswick, Concord, East Haven, Guildhall, Granby, Lunenburg, Maidstone, and Victory on the county committee (COC). The election results for Local Administrative Area 5 are:

Darcy Smart — Elected to the county committee with 8 votes*,
Mike Tanguay — Elected 1st alternate to the county committee with 8 votes*,
Stephen Russo — Elected 2nd alternate to the county committee with 5 votes,
Conan Eaton — Elected 3rd alternate to the county committee with 1 vote[#]
* Tied votes were settled by lot. [#] Write-in vote

FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

The COC held their organizational meeting and re-elected Burt Patenaude to serve as the chairperson and Robert Porter to serve as the vice-chairperson. **The monthly meeting of the COC will be held on the second Thursday of each month beginning at 10:30.**

SURE Signup

Signup for the 2008 Supplemental Revenue Assistance Payments program (SURE) has begun. To be eligible for SURE payments, a producer must have obtained crop insurance on all crops in all counties or, if crop insurance was not available, had participated in the Non-Insured Assistance Program (NAP) except for grazed acreage.

The following conditions trigger SURE payments:

- at least one crop of economic significance must suffer a 10% loss due to an eligible disaster condition
- crop of economic significance is 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
- producers in counties declared disaster counties by the Secretary of Agriculture, or in contiguous counties, or those who show proof of an individual loss of at least 50% are eligible to receive SURE payments for crop producer 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. The calculator is not official, but is intended for educational use. A fact sheet and background are also available online.

Direct Deposit & Bank Account Changes

Forms are available at the FSA office to sign up for direct deposit if you haven't yet. Current policy mandates that FSA payments be electronically transferred into your bank account. For those already signed up, it is important that we are notified anytime there is a change in your account number or financial institution. You need to notify the office if you close your account or if another financial institution purchases your bank. Payments can be delayed if the FSA office is not aware of updates to your account and routing numbers.



2010 DCP & ACRE Signup

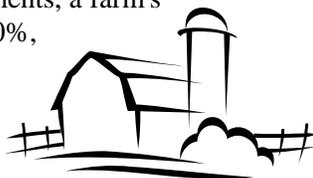
Enrollment for the 2010 Direct and Counter-cyclical Program (DCP) and Average Crop Revenue Election (ACRE) has begun and will continue through June 1, 2010. This deadline is mandatory for all participants. USDA will not accept any late-filed applications.

Eligible producers may request to receive advance direct payments based on 22 percent of the total payment for each farm that is owned or has a long term lease.

The optional ACRE Program provides a safety net based on state revenue losses and acts in place of the price-based safety net of counter-cyclical payments under DCP.

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.

An ACRE payment is issued when both the state and the farm have incurred a revenue loss. The payment is based on 83.3% (85% in 2012) of the farm's planted acres times the difference between the state ACRE guarantee and the state revenue times the ratio of the farm's yield divided by the state expected yield. 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, in addition to not receiving counter-cyclical payments, a farm's direct payment is reduced by 20%, and marketing assistance loan rates are reduced by 30%.



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.

Special Accommodations

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office staff directly or by phone.

Controlled Substance

Any person who is convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant. Prohibited plants include marijuana, opium, poppies and other drug producing plants.

Strolling of the Heifers Microloan Fund for New England Farmers

The Strolling of the Heifers Microloan Fund for New England Farmers is a project of Strolling of the Heifers and The Carrot Project. The mission of the fund is to address the difficulty that some New England farmers have in obtaining credit for projects that improve their operations and increase their income, as well as for emergency needs.

The Carrot Project and Strolling of the Heifers are pleased to announce an increase of the maximum loan amount to \$15,000. They will be accepting prequalified applications through February 26th, 2010.

For more information, contact Dorothy Suput at 617-666-9637 or at dsuput@thecarrotproject.org or online at www.thecarrotproject.org/farm_financing

ARC Loan Program

Section 506 of the Recovery Act authorized the Small Business Administration (SBA) to help viable small businesses make payments on existing debt. The ARC loan program is designed to give viable small businesses facing immediate financial hardship some temporary financial relief so that they can keep operating and get their cash flow back on track. The SBA is now reaching out to farmers in Vermont with this loan program that is available until September 30, 2010, or until the appropriate funds run out, whichever comes first.

- An ARC loan is up to \$35,000
- ARC loans will be disbursed during the first six months followed by a 12 month period of no repayment by the borrower, followed by a repayment period of five years.
- 100% guaranteed backed by the SBA
- Proceeds may be used to repay mortgages, secured and unsecured loans, lines of credit, credit cards and other accounts payables.
- No collateral required
- Eligible SBA lenders can participate.

This is another source of credit for borrowers, farmers that may be near the FSA limits. Further information can be found at <http://www.sba.gov/recovery>. The SBA office in Montpelier can be reached at 1-802-828-4422.

Applications for FSA Loans

Farmers and ranchers that intend to apply to the Farm Service Agency for loan assistance for the upcoming crop year are encouraged to file their applications as early as possible. Filing early will help ensure that your loan is processed and approved as early as possible so that planting decisions can be made. Failure to apply early can result in a delay in processing loans due to the volume of applications that must be processed in date order. Contact your local FSA farm loan manager or officer for more details and assistance in applying.

Report of Payments to Producers

Producers who have received payments from FSA should have also received a CCC-1099-G from the Kansas City office. A CCC-1099-G is a report to the Internal Revenue Service about FSA payments made to you during the previous calendar year. The CCC-1099-G is a service to help participating producers report taxable income. It is not intended to replace the program participant's responsibility to report income to the IRS.

If you received a CCC-1099-G, we recommend that you check the amounts shown with those in your records to see that the amounts are correct. If you have questions concerning your CCC-1099-G information, you may contact your local FSA office for assistance locating correct payment data. If you choose to visit the office, bring your CCC-1099-G with you.

Customer Statement – Services On-line

Producers who have signed up for a USDA eAuthentication Level 2 account will be able to access their farm data via their Customer Statement.

The Customer Statement puts a range of USDA services and programs into a single report that's at your fingertips and available online, 24 hours a day, seven days a week.

It allows USDA customers to view their participation, application and payment status in various commodity and conservation programs; information on farm loans; and conservation plan and land unit information.

Producers may sign-up for an eAuthentication Level 2 account at www.eauth.egov.usda.gov

Attention Producers, Landowners!

- Do you intend to clear timber areas to create or to expand existing crop areas?
- Are you converting a pasture field into a crop field?
- Are there any areas on your farm(s) that you are considering cropping that have not been cropped in recent years?
- Is there a wet spot in a field that you want drain to make cropping easier?
- Are you disturbing a wildlife habitat area of any type?
- Are you doing anything different on your farm(s) this year?



These are Highly Erodible and Wetlands provision questions that need to be considered each year by producers to assure that they may remain eligible for USDA benefits. If you have any question or concern that something you plan to do on your farm could jeopardize your eligibility for benefits, please contact your NRCS representative before you begin work.

Power of Attorney

For those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., FSA has a power of attorney form available that enables you to designate another person to conduct your business at the office. If you are interested, please contact our office or any Farm Service Agency office near you for more information.

Spousal Signatures

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. Spouses may not sign FSA-211s on behalf of each other or sign on behalf of the other as an authorized signatory for partnerships, joint ventures, corporations or other similar entities. Spouses must have a power of attorney on file or sign personally for claim settlements, such as promissory notes, and on security documents for price support loans.

Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents.

A spouse's authority to sign documents on behalf of the other spouse does not entitle the spouse to review or receive agency records of the other spouse.

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 tax 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>.

RETURN SERVICE REQUESTED



"The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer."

NAP Coverage Deadline

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 catastrophic (CAT) insurance.

The application deadline for the 2010 coverage on **vegetable crops is March 15, 2010**. In order to be eligible for disaster assistance programs, including Supplemental Revenue Assistance Payments Program (SURE), producers are required to timely purchase, at a minimum, CAT coverage for all insurable crops and/or NAP coverage for all non-insurable crops on their entire farm.

NAP coverage for 2010 costs \$250 per crop, but not more than \$750 per producer per county. These fees may be waived if you qualify as a Limited Resource Producer.

Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act 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 with 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, Realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

Farm Storage Facility Loan Program

The Farm Storage Facility Loan (FSFL) program 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 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. New loan terms of 7, 10 or 12 years are available depending on the amount of the loan. February interest rates are 3.250% for a 7 year loan, 3.750% for a 10 year loan and 4.000% for a 12 year loan.

The following are some commodities eligible for farm storage facility loans:

- Corn, grain sorghum, soybeans, oats, wheat, barley or minor oilseeds harvested as whole grain
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain
- Hay
- Fruits (including nuts) and vegetables - cold storage facilities

Please call to discuss eligibility requirements. If you are planning to build or upgrade your storage facility this spring, applications should be submitted soon. The loan must be approved before any site preparation or construction can begin.