



FSA UPDATES

**Chittenden/Washington
County
USDA Service Center**

**Chittenden/Washington
County FSA**

802 865-7895 x4
800 910-2035 x4 (VT only)
802 865-7947 (fax)
www.fsa.usda.gov/VT

Hours

Monday - Friday
8:00 a.m. – 4:30 p.m.

County Committee

Richard Parizo LAA-1
Claude Lapierre LAA-2
Deborah Conant LAA-3
Elwin Neill, Jr. LAA-4
Michelle Gardner LAA-5

**Upcoming County
Committee Meeting**

Dates

January 21, 2009
February 18, 2009

Staff

Lawrence Parker x102
Eileen Powers x106
Pearl Wells x100
Bradford Parker x103

**Natural Resources
Conservation Service**

Caroline Alves x203
Tate Jeffrey x119
Michel Lapointe x118
Danny Peet x202
Norman Smith x117

**Winooski Natural
Resources Conservation
District**

Ashley Lidman x104



DCP Sign Up Underway

Sign-up has started for the 2009 Direct and Counter-cyclical Payment (DCP) Program for farms with base acres. You can sign up online or at local USDA service centers. Sign up will continue until June 1, 2009. The June 1, 2009 deadline is mandatory for all participants. FSA will not accept any late-filed applications.

The electronic DCP (or eDCP) service 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 and can be accessed at www.fsa.usda.gov/dcp. To access this on-line 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.

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. FSA will issue advance direct payments later this month. 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 who are eligible for the DCP Program will also be eligible to enroll in the Average Crop Revenue Election (ACRE) Program. The enrollment period for the ACRE Program will begin in the spring. You may first enroll in the DCP Program, receive advance direct payments and then later modify your enrollment to include the ACRE program

or you may wait and elect to enroll in DCP and ACRE at the same time in Spring 2009.

MILC Sign Up Underway

Sign up for the Milk Income Loss Contract Program (MILC) is underway and will continue through the program's expiration date, Sept. 30, 2012.

The 2008 Farm Bill reauthorizes the MILC Program, which operates similarly to the counter-cyclical payment program for crops, and makes three key changes in program operation. Under the Farm Bill, the MILC payment rate and the per-operation poundage limit are modified, depending on when the milk is produced. In addition, a "feed cost adjuster," is introduced over the life of the 2008 Act, which adjusts the \$16.94 per hundred-weight (cwt.) benchmark price upward depending on the cost of feed rations. When available, MILC payments are based on a payment rate percentage that is multiplied by the difference between a now-flexible target (\$16.94 per cwt. or higher) and the specific month's Boston Class I price of milk.

The 2008 Farm Bill made changes to the provisions for payment eligibility and adjusted gross income (AGI). If the individual or entity has non-farm AGI greater than \$500,000, the individual or entity is not eligible for MILC benefits.

For more information on the MILC program, contact your local USDA Service Center.

USDA Enacts Changes to Payment Limitations, Income Qualifications, and Implements Direct Attribution

USDA recently published an interim final regulation in the Federal Register announcing



changes to both Adjusted Gross Income (AGI) qualifications, program payment limitations, and direct attribution for FSA and Natural Resources Conservation Service (NRCS) programs, which became effective in accordance with the 2008 Farm Bill.

For commodity and disaster programs, the AGI limitation was reduced from \$2.5 million AGI from all sources to a three-year average non-farm AGI of \$500,000 such that a person or entity shall not be eligible for such programs if the non-farm AGI exceeds \$500,000. Also, under the new regulations, an individual or entity must have a 3-year average AGI less than or equal to \$750,000 per year from farm income in order to qualify for direct payments issued under the Direct and Counter-cyclical Program.

The definition of income derived from farming, ranching and forestry operations was expanded to include, among other items, such items as the packing, storing and transporting of agricultural commodities; production of livestock products; farm-based production of renewable bio-energy; and in some instances, the providing of operational inputs to farmers, ranchers and foresters.

For conservation programs, the average non-farm AGI limitation is \$1 million or less for eligibility with allowances for certain exceptions.

Individuals and entities must be "actively engaged in farming" with respect to a farming operation in order to be eligible for specified payments and benefits. To be "actively engaged in farming," the individual or entity must make significant contributions to the farming operation of: (1) capital, equipment, land, or a combination; and (2) personal labor or active personal management, or a combination.

Public comments on this interim final rule must be submitted to the Department by within 30 days of the date of publication.

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.

Continuous CRP

The Continuous Conservation Reserve Program is a private lands environmental improvement program that allows participants the opportunity to enroll acreages in conservation practices that will reduce soil erosion, improve water and soil quality and provide wildlife habitat and food sources.

Continuous CRP program participation is voluntary. Eligible landowners enter into contracts that range from 10 to 15 years in length. In return, the landowners will receive annual rental and maintenance payments, incentive payments for certain activities, and cost share for establishment.

To be eligible for enrollment in the Continuous CRP, participants and acreage must meet certain requirements. Provided the eligibility requirements are met, FSA will automatically accept enrollments of acreage into Continuous CRP. Landowners may enroll in the program at any time during the year.

For more information on Continuous CRP enrollments or local Conservation Reserve Enhancement Program (CREP) availability, please contact your local FSA office or visit <http://www.fsa.usda.gov/pas/publications/facts/html/crpcont03.htm>.

LDP Deadline on Unshorn Lamb Pelts

Eligible producers have until Jan. 30, 2009, to apply for LDPs for unshorn pelts produced during the 2008 crop year.



Eligible producers must have beneficial interest in the pelts, owned the lamb for at least 30 calendar days before the date of slaughter and sell the unshorn lamb for immediate slaughter. Producers must also comply with wetland conservation and highly erodible land conservation provisions on all lands they operate or have interest in.

To qualify for payment, pelts must have been produced by an eligible producer from live unshorn lambs of domestic origin in the United States.

Report of Payments to Producers

A summary of all earned payments and/or refunds during the previous calendar year, will be mailed to producers during the last week of January. Form CCC 1099-G will be mailed from Kansas City, MO.

Bank Account Changes?

All FSA payments are supposed to be electronically transferred into your bank account. In order to make timely payments, you need to notify the office if you close your account or if your bank is purchased by another financial institution. Payments can be delayed if we are not aware of changes to account and routing numbers.



COC Election

Congratulations go out to Catherine Scribner and "Chuck" Farr for their recent election to the Chittenden/Washington County FSA Committee (COC). Catherine will represent LAA 4, Barre, Berlin, Duxbury, Fayston, Moretown, Northfield, Plainfield, Roxbury, Waitsfield & Warren; while Chuck will represent LAA 3, Bolton, Jericho, Middlesex,

Richmond, Underhill & Waterbury. Both Catherine and Chuck bring a long history of active participation in local farm organizations to the COC. We would like to thank outgoing members Deborah Conant and Elwin Neill Jr. for their years of service on the COC. Their insights and advice were invaluable in the administration of FSA's diverse programs. Their enthusiasm, professionalism and compassion for their fellow farmers will be greatly missed.

On January 21, 2009 the COC will conduct an organizational meeting followed by a regular meeting. The scheduled start time is 10:00 AM at the Williston office, and the meeting is open to the public.

Pork Referendum

FSA will be assisting kAgricultural Marketing Service (AMS) as they conduct a "request for Referendum". Participation is voluntary and only "producers and importers who were engaged in pork production or in the importation of hogs, pigs, pork, or pork products between Jan 1, 2007 and Dec 31, 2007 and were at least 18 years of age on or before Dec 31, 2007 are eligible to participate". Forms are available from any FSA office or online at <http://www.ams.usda.gov/LSMarketingPrograms>. In order to vote, Form LS-54-1 and supporting documentation, where applicable, such as a sales receipt, vet bill, feed bill, copies of grower contracts, cancelled check or proof of payment must be returned in person, by mail, or by facsimile to the appropriate county office by close of business Jan 2, 2009. Returns by mail must be postmarked no later than midnight on Jan 2, 2009 and received by Jan 9, 2009.



**PRESORTED STANDARD
 U.S. POSTAGE PAID
 Mailed from Zip Code 05495
 PERMIT #40**

Selected Interest Rates for October 2008	
Farm Operating - Direct	3.395%
Farm Ownership - Direct	4.875%
Limited Resource - Farm Operating	5.00%
Limited Resource - Farm Ownership	5.0%
Farm Ownership - Direct Down Payment Beginning Farmer or Rancher	1.50%
Emergency	3.75%
Farm Storage Facility	3.00%

Dates to Remember	
Dec 25 & 26	Office Closed for Christmas Holiday
Jan 1, 2009	New Years Holiday, office closed
Dec 22, 2008	MILC - Initial signup begins
Jan 22, 2008	MILC – Extended signup begins
Continues	DCP signup
Continues	Continuous Conservation Reserve program

Visit our Web site at
<http://www.fsa.usda.gov/VT>

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