



Farm Service Agency

February 2010

TWIN HARBORS/LEWIS COUNTY FSA NEWS

Twin Harbors/Lewis Co FSA Office

1554 Bishop Rd Ste 100
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Office Hours

Monday – Friday
8:00 AM – 4:30 PM

County Committee

Byron Bentson, Chair
Leo Zylstra, V-Chair
Vic Boekelman, Member
Allen Devlin, Member
Ann Aho, Member

Office Staff

Martha Dorsey, CED
Julie Moldenhauer, PT

Farm Loan Staff

Jon Wilson, FLM
Jeff Peterson, FLO
Ruth Wynn, FL PT

Next COC Meeting

February 23, 2010
9:30 am

Web Sites

National:
www.fsa.usda.gov
WA State
www.fsa.usda.gov/wa

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FSA County Committee Results

Thanks to all who voted in the recent LAA (Local Administrative Area) 4, which covers the Western third of Lewis County. The ballots were counted on December 10 and our new County Committee member is Anne Aho. **Congratulations and Welcome to Anne!** She has been a long time associate with Twin Harbors/Lewis County FSA, serving the last 5 years as an advisor to the Committee. Anne has a 40 acre farm in Lewis County, and has years of experience raising and marketing products from dairy and beef cattle. Anne also has experience with sheep, llamas, and horses.

At the COC's Organizational meeting, Byron Bentson and Leo Zylstra were selected (again) to serve as Chair and Vice-Chair, respectively. Thanks to the entire Committee for all their service to Grays Harbor, Pacific and Lewis Counties.

FSA State Committee Appointed

On December 14, 2009, the Obama Administration announced the members serving on the Washington Farm Service Agency State Committee. The individuals appointed to serve are:

Lennie Davis – Coulee City, WA (Chairperson). Lennie is a partner in Tom Davis Farms Joint Venture. She previously served on Washington State's FSA Committee during the Clinton Administration.

Larry A. DeHaan – Lynden, WA. Larry has worked in the dairy business for over thirty years. From 1989 to 1994, he served on his FSA County Committee and has also won numerous awards, including the Whatcom Conservation Farmer of the Year in 1989.

Steve Hair – Walla Walla, WA. Steve is a former member and chair of the Walla Walla FSA County Committee. He also served as President of the Walla Walla Association of Wheat Growers.

Don Olmstead Jr. – Grandview, WA. Don is president of Olmstead Orchards. He was a member of the Grandview Planning Commission for nearly 20 years, and has served on the Washington State Fruit Commission since the early 1980's.

Jesus Limon – East Wenatchee, WA. Jesus operates apple orchards for Limon and Sons Orchard Company. He also worked for the Auvil Fruit Company in Orondo, WA from 1982 through 1995, and has been an advisor for the FSA Chelan County Committee.

Biomass Crop Assistance Program (BCAP)

The Washington DC office sent out Notice BCAP-10 which announced that FSA offices are to discontinue approving any new Eligible Material Owner (EMO) contracts for matching payments effective as of close of business February 3, 2010. FSA will continue to issue payments to EMO's with approved applications. However, when the EMO's allocation of funds for the current quarter are expended, FSA cannot issue any additional funding until further notice.

The National Office has indicated that no new approvals can be issued until a "Final Proposed Rule", which is our basis to approve funding, is published. The publication of the Final Rule requires a 60 day comment period followed by a review and determination of required policy.

FSA will continue to take any information submitted for application, but, again we will not be able to approve any applications until we receive further notice from the National Office.

Adjusted Gross Income (AGI) Verification Requirement

Beginning in January, 2010, the Farm Service Agency (FSA) and Natural Resources Conservation Service (NRCS) will provide producers with consent forms they voluntarily complete and submit to IRS. These forms authorize IRS to disclose a very limited amount of information to USDA for 2009 and 2010 average adjusted gross income (AGI) compliance purposes. Consent forms can be obtained at the local USDA Service Center or online at <http://forms.sc.egov.usda.gov>.

Producers must submit the applicable form **directly to IRS**, authorizing the review, in order to retain 2009 and future payments subject to current AGI requirements.

USDA Service Center Employees cannot accept any tax information or consent forms. Consent forms must be mailed to the IRS within 60 days of the date the form was signed.

Fiscal Year 2009

Mo.	BCI Price-\$ (16.94)	Pymt Rate- \$ (Before Adjust.)	NAD-FRC-\$ (7.35)	Adjust. Trigger	Final Pymt Rate Adj. for Feed Cost (\$/cwt)
Feb	13.97	1.3365	7.73	17.33	1.51352
Mar	12.68	1.9170	7.54	17.14	2.00561
Apr	13.61	1.4985	7.54	17.14	1.58628
May	14.22	1.2240	7.87	17.48	1.46725
June	13.33	1.6245	7.81	17.42	1.84114
July	13.51	1.5435	7.18	16.94	1.54350
Aug	13.29	1.6425	6.75	16.94	1.64250
Sep	14.18	1.2420	6.51	16.94	1.24200
Fiscal Year 2010					
Oct	15.60	0.6030	6.81	16.94	0.60300
Nov	16.11	0.3735	6.85	16.94	0.37350
DEC	17.24	0.0000	6.83	16.94	0.00000
Jan	18.28	0.0000	TBD	TBD	TBD
Feb	18.09	0.0000	TBD	TBD	TBD

Milk Income Loss Contract Program (MILC)

MILC payments for November 2009 Milk Production were processed in January 2010 at a rate of \$0.37350 per hundred weight of production. The rate has been steadily dropping since September 2009, with the December 2009 rate at zero.

Current and previous payment rate information is listed here and can also be found on our Washington State FSA website.

Use of FSA Loan Funds

If the cost-share requirement on a conservation practice is preventing you from adopting the practice or a new tractor is needed on the farm, FSA may be able to help with the financing. FSA provides low interest, long-term loans to producers who have difficulty obtaining commercial credit.

Direct Farm Ownership Loans may be used to purchase land, construct buildings or other improvements, and apply soil and water conservation practices. FSA also has a Beginning Farmer Down Payment program to help purchase a farm or ranch.

Producers may use Direct Operating Loans to purchase livestock, poultry, equipment, feed, seed, farm chemicals, and supplies to apply soils and water conservation practices and to refinance indebtedness with certain limitations. For more information about FSA loan programs, contact Jeff Peterson, Farm Loan Officer, (360)-748-0083

2010 DCP Signup

Enrollment for the 2010 Direct and Counter-cyclical Program (DCP) has begun and will continue through June 1, 2010. In order for eligible producers to receive DCP payments, a producer must submit an acreage report to the FSA office by June 30th, 2010, and a DCP contract must be signed by June 1, 2010. USDA computes DCP program payments using base acres and payment yields established for each farm. For 2010, eligible producers may request advance direct payments based on 22 percent of the direct payment.

Payments and Tax Reporting – Check Your Statement

As you may know, FSA experienced a number of software issues in disbursing 2009 CRP and DCP/ACRE payments. Our Kansas City office has begun to issue your CCC-1099G form with the 2009 payment data that is reported to the IRS. It is very important this year that you closely review this document to ensure it accurately reflects the payments you received in 2009. If it does not, or if you have any questions about the data, please contact our office. We will assist you to confirm the data or obtain a corrected CCC-1099G. Also keep in mind that this form does not include any refunds you may have made to FSA in 2009. That data must be obtained directly from our office. We appreciate your patience and understanding as the agency implements our new payment system. Please contact us with any questions about your payments or tax statement.

Handicapped Accommodations: Special accommodations will be arranged for those persons with a physical, vision, or hearing impaired disability. If special accommodations are needed, please contact our office.