

Lincoln County Newsletter

January 2010



2010 Direct & Counter-cyclical Program (DCP) Signup

Producers have until June 1, 2010, to timely file a DCP contract (CCC-509). Regulations no longer provide for a "late-filed" signup period or fee. Accordingly, enrollment is not permitted after June 1, 2010. A CCC-509 will not be approved unless all producers sharing in base acres with more than a zero share have signed and submitted all applicable documentation. For those producers with an interest but a zero share of contract, a CCC-509 will not be approved before all producers have signed a CCC-509 or provided supportive and necessary contractual documents, such as cash leases instead of signing for a zero share. A CCC-509 not having all requisite signatures of producers having more than a zero share of contract acreage on or before June 1, 2010, will not be considered submitted to CCC for any purpose and will not be acted on or approved. CCC-509's submitted by a producer on or before June 1, 2010, that were not signed by all producers according to this subparagraph will be considered withdrawn and will not be approved. Producers on a farm are solely responsible for ensuring that timely enrollment occurs. Please call for an appointment.

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. Producers may first enroll in the DCP Program, elect to receive advance direct payments and then later modify their enrollment to include the ACRE program or they may wait and elect to enroll in DCP and ACRE at the same time.

More information on ACRE will be in a future Newsletter.

Generally, no producer on a farm that has a total of 10.0 base acres or less shall be eligible to receive DCP payments on that farm. However, the prohibition does **not** apply to a farm that is wholly owned by a socially disadvantaged or limited resource farmer or rancher. If the farm is owned by a legal entity, such as a corporation, each individual or entity with any interest in the entity must be a socially disadvantaged or limited resource farmer or rancher. Additional details of this provision will be announced at a later date. Farms that have total bases of 10.0 acres or less may reconstitute and earn payments, if reconstitution rules are met.

The direct payment for each covered commodity or peanuts will be computed by multiplying:

- 83.3 percent of the covered commodity's or peanut's base acres, times
- the covered commodity's program payment yield, times
- the payment rate for the covered commodity, times
- the producer's share of the covered commodity.

For those CCC-509's timely enrolled and containing all required signatures, CCC will make advance payments at a rate of 22 percent to those producers who requested the advance payments. The advance payments will be issued as soon as practicable following completion of enrollment.

Before producers can receive payments, each producer must satisfy all other program or payment eligibility requirements including, but not limited to, filing a new CCC-926 (adjusted gross income certification) for 2010 and maintaining an up to date AD-1026 (certifying the farm is following an approved conservation system) and CCC-902 (farm operating plan).

2009 NAP Production Records

All 2009 NAP producers, now is the time to submit production evidence for your 2009 crops. Submitting production evidence for harvested crops, such as bale counts and weights are necessary to maintain accurate yields for coverage.

Lincoln County
FSA Office
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Phone: (307) 886-9001
FAX: (307) 886-3744

www.fsa.usda.gov

Office Hours:
7:30 a.m. – 4:30 p.m.

County Committee:

Jason Thornock
Chad Dana
Blair Hillstead
Trudi Julian
– Minority Advisor

Monthly COC Meeting:
2nd Tuesday of the month

Office Staff
Dee Harbach
Suellen Bagley
Kresta Hedges

Farm Loan Manager
Brian Harrell
307-856-7524

Wool, Mohair and Unshorn Pelt LDP's

Wool, Mohair and Unshorn Lamb pelt producers are reminded of the availability of Loan Deficiency Payments (LDP's). The "final" date to request these LDP's, on page 4 of the CCC-633 EZ, is January 31 of the year following the crop year the wool was produced. If you sheared or sold pelts in 2009, you have until January 31, 2010 to request payment.

LDP's for the **2009 crop** began on January 1, 2009 and will continue through January 31, 2010. LDP's for the **2010 crop** begins on January 1, 2010 and will continue through January 31, 2011. All producers are reminded that you must sign page 1 of the applicable form (CCC-633EZ) before losing beneficial interest in the wool or unshorn pelt.

1099-G Mailed from Kansas City

During the last week of January, 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 in calendar year 2009. 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. Refunds will no longer be reported on the 1099-G.

Farm Reconstitutions

In program terminology, farms are *constituted* to group all tracts having the same owner and the same operator 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. 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.

If payments have already been issued on a particular farm, the reconstitution will be effective for the next year, unless the payments are refunded. Request for recons should be filed by June 1.

Livestock Indemnity Program

The Livestock Indemnity Program (LIP) provides assistance to producers for livestock deaths that result from a natural disaster. LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality. Eligible losses must have occurred on or after Jan. 1, 2008, and before Oct. 1, 2011. The losses must be a direct result of an adverse weather condition, including but not limited to hurricanes, floods, blizzards, disease, wildfires, extreme heat and extreme cold, & lightning. Note that drought is not a qualifying event. Eligible livestock are adult/non-adult cattle, buffalo and beefalo, equine, sheep, alpacas, emus, swine, goats, llamas, poultry and domestic elk, deer and reindeer. Ineligible livestock include animals that died as a result of disease not related to adverse weather, malnutrition or poor handling practices. Payment rates are per head by livestock kind/type and weight range.

- Final Date to File a Notice of Loss: 30 Days after death is apparent.
- Final Date to File Application: 30 Days after the end of the calendar year that the loss occurred, January 30, 2010 is deadline for 2009 losses.

County Committee Election Results

This years County Committee Election for the Cokeville/Kemmerer/LaBarge Administrative Area has just been completed. Eligible voters elected Jason Thornock to represent them for a three year term. Vickie Child was elected as First Alternate. We appreciate these producers and their willingness to serve.

Foreign Buyers 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, realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

Direct Deposit of Program Payments & Account Changes

Farm program payments earned through this office are required to be paid by direct deposit into a bank account selected by the program participant. If you have completed a direct deposit agreement and had a bank account change, you must notify us of account changes for your payment to be properly deposited.

Honey Loans and LDPs

Honey nonrecourse Marketing Assistance Loan (MAL) and Loan Deficiency Payment LDP program are available to eligible honey producers.

Honey nonrecourse MALs provide eligible producers with interim financing on their production and facilitate the orderly distribution of loan-eligible honey throughout the year. Instead of selling the honey immediately after harvest, a nonrecourse loan allows a producer with eligible honey to store the production, pledging the honey itself as collateral. The honey loan provides funding for an eligible producer to pay bills without having to sell the honey at a time of year when prices tend to be lowest. When market conditions may be more favorable, a producer may sell the honey and repay the loan with the proceeds of the sale. A producer may satisfy the loan obligation by delivering to CCC the quantity of honey pledged as collateral as full payment for the loan at maturity. Eligible producers must submit requests for honey nonrecourse MALs on or before March 31, 2010 for the 2009 crop year.

To be eligible for a loan, a producer must have:

- Produced honey in the United States during the calendar year for which the loan is requested, and extracted honey on or before December 31, of the applicable crop year;
- Had a continuous beneficial interest in the honey through date of repayment of the loan; and
- Been responsible for the financial risk of keeping the bees and producing the honey.

To be eligible for a loan, the honey must:

- Have been produced by an eligible producer;
- Have been produced and extracted in the United States during the applicable calendar year;
- Be of merchantable quality deemed by CCC to be suitable for loan; and
- Be stored in acceptable containers.

For more information regarding honey loans or LDPs please contact our office at 307-886-9001 ext. 2.

FARM SERVICE AGENCY
LINCOLN COUNTY FSA
625 WASHINGTON, Suite A
PO BOX 369
AFTON, WY 83110

IMPORTANT DATES TO REMEMBER

Within 15 days of noticing a loss file CCC - 576 NAP Notice of Loss

Within 30 days of noticing a livestock loss file FSA-914 LIP Notice of Loss

January 1 ----- Office closed – New Year’s Day

January 18 ----- Office closed – Martin Luther King, Jr. Day

January 30 ----- Deadline for 2009 LIP applications

January 31 ----- Deadline for 2009 wool/pelt LDP requests

February 15 ----- Office closed – George Washington Day

March 15 ----- Federal Crop Insurance deadline for spring crops

April 1 ----- Deadline to purchase a 2010 NAP policy

Any Time ----- Continuous CRP

Any Time ----- Farm storage facility loan program

The United States Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation, or marital or family status. (Not all prohibited based apply to all programs.) Persons with disabilities who require alternative means of communication or 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 USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.