



NEWSLETTER



February 2011

Jackson-Josephine County FSA Office

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Director

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Hours

Monday - Friday
7:30 a.m. - 4:30 p.m.

Jackson-Josephine County Staff

Diane Rabbe, Program
Technician

Donna Finch, Program
Technician

Jim Jutson, Farm Loan
Manager, Roseburg, OR

Chris Kirby, Farm Loan
Officer, Klamath Falls, OR

2010 COC Election Results

Lori Mefford was elected to represent LAA 3 for the next three years during the recent County Committee election. Lori received 56 votes. Andy Coats came in second with 32 votes. Lori will be representing the areas surrounding Central Point, Medford, and Ashland.

Congratulations to both Lori and Andy!

The Jackson-Josephine County Committee meets on the 3rd Wednesday of each month at 9:00 am at the Medford USDA Service Center on Parsons Drive.

NAP Deadline: March 15

The deadline to purchase coverage under the Non-Insured Assistance Program (NAP) for spring planted vegetable crops is March 15, 2011. The cost is \$250 per crop with a max of \$750 per county. Purchase coverage for your sweet corn, pumpkins, potatoes or others. Remember that other disaster assistance programs require federal crop insurance or NAP coverage in order to qualify. Be sure to call or visit the office before March 15 to get covered.

SURE – 2009 and Later

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters. **SURE sign up for crop year 2009 losses runs from Jan. 10 to July 29, 2011. Deadlines for 2010 and 2011 crop years will be announced later.**

To be eligible for SURE payments, a producer is required to obtain crop insurance on all crops in all counties or, if crop insurance is not available, to participate in the Non-Insured Assistance Program (NAP).

Eligible farmers and ranchers who meet the definition of Socially Disadvantaged, Limited Resource, or Beginning Farmer or Rancher are exempt from the risk management purchase requirement.

The following conditions are required to trigger SURE payments:

- at least one crop of economic significance must suffer a 10% production loss due to an eligible disaster condition. (A 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 production or crop quality losses.

Payments are calculated considering whole-farm revenue, which includes crop insurance indemnities and commodity program payments, so that producers are not paid more once for the same loss.

Note that due to the need to wait for end of year market price data to make SURE final calculations, SURE assistance payments lag the crop year's end by one full year.

If you would like additional clarification call or stop by your local FSA office.

CRP Signup 41 Announced

The next general signup for the Conservation Reserve Program (CRP) will begin on March 14, 2011, and continue through April 15, 2011.

Through CRP, eligible landowners receive annual rental payments and cost-share assistance to establish long-term, resource conserving covers on eligible farmland. Land can be enrolled for a period of up to 15 years. Farmers and ranchers may offer eligible land at their FSA County Office. Land currently not
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enrolled in CRP may be offered in this signup provided all eligibility requirements are met. Additionally, current CRP participants with contracts expiring this fall may make new contract offers.

FSA will evaluate and rank eligible CRP offers using an Environmental Benefits Index (EBI) that shows the environmental benefits to be gained from enrolling the land in CRP. Decisions on the EBI cutoff will be made after the sign-up ends and after analyzing the EBI data of all the offers. Contracts awarded are scheduled to become effective Oct. 1, 2011. Contact your local FSA County Office for more information.



Average Crop Revenue Election Program (ACRE)

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. The June 1, 2011, signup deadline is mandatory for all participants. USDA will not accept any late-filed applications.

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.

An ACRE payment is issued when both the state and the farm incur revenue losses.

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 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.

Conservation Loan Program

The Conservation Loan (CL) Program provides farmers with funding to implement

NRCS approved conservation measures on their land. The loan limit for a direct CL is \$300,000, and \$1,119,000 for a guaranteed CL.

The Natural Resources Conservation Service (NRCS) will work with applicants to develop a conservation plan containing approved conservation practices. Examples of some conservation practices are: water conservation structures, forest cover, permanent pastures, manure digesters and other installations.

For more information on a potential Conservation Loan, call your local FSA office and make an appointment with your farm loan officer.

Conservation Reserve Enhancement Program (CREP)

Agricultural landowners can enroll eligible riparian lands into a 10 to 15-year CREP Contract and receive annual conservation payments, cost-share payments and incentive payments for riparian restoration practices. CREP is a continuous sign-up program and is not ranked. The most common practices are:

→ Riparian Forest Buffer (a mixture of trees and shrubs 35'-180')

→ Wildlife Habitat Buffer (grasses, shrubs, and forbs 20'-180')

Producers should consider CREP when deciding what to do with those blackberries that are lining their stream banks and are encroaching on their fields.

Adjusted Gross Income (AGI)

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 from the IRS to verify AGI compliance will be required from each producer or payment recipient. 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 *[Continued on Page 3]*

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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. These forms may be obtained from local FSA and NRCS offices or online at: <http://forms.sc.egov.usda.gov/eforms/mainervlet>.

BCAP – Two Phases

There are two categories of assistance in the Biomass Crop Assistance Program (BCAP). The first category provides financial assistance to producers or entities that deliver eligible biomass material to approved biomass conversion facilities (BCF) for use as heat, power, bio-based products or bio-fuels. Initial assistance will be for the collection, harvest, storage and transportation (CHST) costs associated with the delivery of eligible materials.

Producers who harvest, transport and store these materials can apply for FSA matching payments under the CHST. An application must be submitted before the eligible material is sold and delivered to a BCF. After the product is delivered, a producer must provide FSA with documentation of product quantity, quality and payment rate. County offices will validate payment requests with information in the county office.

In the second category of BCAP, incentives are provided to producers who enter into contracts with the Commodity Credit Corporation (CCC) to produce eligible biomass crops on contract acres within BCAP project areas. For this phase, Project Area Proposals are required and must be submitted to FSA for review and approval. For more information, visit www.fsa.usda.gov/bcap.

Farm Loan Programs

The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm or ranch, direct and guaranteed loans are currently available.

Ask your lender about an FSA loan guarantee if you've had a setback and your lender is reluctant to extend or renew your loan.

Farm Ownership loans or Farm Operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,119,000. Producers are encouraged to apply early so that a loan can be processed and funded in a timely manner.

FSA employees will help you complete the necessary application and other forms, and help you understand what information is required, where to find it or who to contact to get it. To find out more about FSA loan programs, contact your county office staff.

Nondiscrimination Statement

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs 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 a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.)

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Jackson-Josephine County
 FSA Office
 573 Parsons Drive, Ste 101
 Medford, OR 97501-3795



PRESORTED STANDARD
 U.S. POSTAGE PAID
 CITY, STATE
 PERMIT #XXX

Selected Interest Rates for February 2011	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	2.250%
Farm Ownership – Direct	4.750%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Conservation Loan	4.750%
Emergency	3.750%

Selected Interest Rates for February 2011	
Farm Storage Facility – 7yr.	2.75%
– 10 yr.	3.375%
– 12 yr.	3.625%
Commodity Loans 1996-Present	1.250%

Dates to Remember	
Mar. 15	NAP Deadline – spring crops
Mar. 16	COC Meeting
Jun. 30	Acreage Reporting deadline

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