



December 2009

Chittenden/Washington County FSA News

**Chittenden/Washington County
USDA Service Center**

Chittenden/Washington County FSA

802 865-7895 x4
800 910-2035 (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 Lapiere LAA-2
Sumner Farr, Jr LAA-3
Catherine Scribner LAA-4
Michelle Gardner LAA-5

Upcoming County Committee Meeting

Dates

January 6, 2010

Staff

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

**Natural Resources
Coinservation Service**

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

**Winooski Natural
Resources Conservation
District**

Ashley Lidman x104



WE NEED YOUR HELP!!!!

It will come as no surprise to any of you that participation in government programs involves paperwork, enough so that some producers don't bother to enroll, while most begrudgingly plow thru the process. On rare occasions we even run across those who grab at the opportunity to get off the farm, kick back in our relatively comfortable chairs, and take all the time necessary complete the forms and get us off their backs! At any rate, please rest assured that any form you receive from us requiring signature and return to this office is necessary to meet program requirements; payments will be delayed until all files are complete. With few exceptions, anything you receive from this office in a business envelope needs your immediate attention and ultimately means money in your pocket. We understand that the tendency is to toss mail in a pile to be forgotten, usually until the next notice. That next notice could be too late; FSA programs have deadlines, and we can't change that. A day late doesn't result in a small penalty, it means ineligibility. So, please help us out and timely return what we send you. FSA promotes a positive cash flow.

ACRE

The Average Crop Revenue Election Program (ACRE) 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 percent (85

percent 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 percent, and marketing assistance loan rates are reduced by 30 percent.

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.

The June 1, 2010, deadline is mandatory for all participants. USDA will not accept any late-filed applications.

SURE

The 2008 Farm Bill amended the Trade Act of 1974 to create the Supplemental Revenue assistance program (SURE).

The SURE program provides benefits for farm revenue losses due to natural disaster that occurred in the crop years 2008 through September 30, 2011. 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) except for grazed acreage. However, crop insurance or NAP coverage is no longer required for crops that are not of economic significance or those where the administrative fee required to buy NAP coverage exceeds 10 percent of the value of the coverage.

Eligible farmers and ranchers who meet the definition of Socially Disadvantaged, Limited Resource, or Beginning Farmer or Rancher

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are exempt from the risk management purchase requirement.

The following are the conditions that trigger SURE payments:

- at least one crop of economic significance must suffer a 10% production 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.

More details on the SURE Program are available at county FSA offices or on line at www.fsa.usda.gov

LDP Deadline on Unshorn Lamb Pelts

Eligible producers have until Jan. 29, 2010, to apply for Loan Deficiency Payments (LDP) for unshorn pelts produced during the 2009 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.

BCAP

FSA is currently accepting applications from biomass facilities interested in participating in the Biomass Crop Assistance Program (BCAP). BCAP provides financial assistance to producers or entities that deliver eligible biomass material to designated biomass conversion facilities 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. Once an agreement is signed between FSA and a facility allowing funding through the program to become available, the facilities can begin accepting materials.

Producers who sell these materials can apply for matching payments under the collection, harvest, storage and transportation (CHST) component of BCAP.

A biomass material producer is eligible to receive payments for two years. The purpose of the matching payments is to assist biomass producers with the CHST cost of delivering biomass to a qualified biomass conversion facility. Once a facility becomes qualified, eligible material owners or producers who deliver biomass to that facility may be eligible to receive CHST payments.

Eligible material owners or producers, who market eligible material to a qualified biomass conversion facility, may apply for the matching CHST payment at their FSA county office. An application must be submitted before the eligible material is sold and delivered to a qualified biomass conversion facility. 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 and information provided under the terms of MOUs with the qualified biomass conversion facilities.

IRS Form 1099-G

Producers annually receive CCC-1099Gs detailing payments producers have received from FSA. This year, the 2009 Advance payments producers received from the Direct and Counter-Cyclical Payment (DCP) Program were processed as overpayments and offset from the 2009 Final payments. The 2009 Advance payments will not be reflected on the CCC-1099Gs producers receive. The CCC-1099G's will reflect only the 2009 DCP direct entitlement.

Producers who have repaid a market gain on a Commodity Credit Corporation (CCC) loan with cash or commodity certificates in exchange for outstanding loan collateral will have their market gains reported to the IRS on Form 1099-G.

FSA is required to report to the IRS all market gains associated with repayment of a CCC loan.

A market gain is the difference between the repayment rate, determined by the CCC, and the original loan rate. If the repayment rate drops below the original loan rate then the difference is considered a market gain. Producers will receive, by mail, the amount reported by FSA to the IRS on Form 1099-G.

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, where spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities.

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

For more clarification on spousal signature authority, feel free to contact your local FSA office.

2010 DCP Signup Continues

Enrollment for the 2010 Direct and Counter-cyclical Program (DCP) has begun and will continue through June 1, 2010. USDA urges producers to make use of the eDCP automated website to sign up, or producers can visit any USDA Service Center to complete their 2010 DCP contract.

USDA 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 2010, eligible producers may request to receive advance direct payments based on 22 percent of the direct payment. USDA will issue advance direct payments beginning Dec. 1, 2009. Counter-cyclical payment rates vary depending on market prices. Counter-cyclical payments are issued only when the effective price for a commodity is below its target price. The effective price is the higher of the national average market price received during the 12-month marketing year for each covered commodity and the national average loan rate for a marketing assistance loan for the covered commodity.

MAPLE SUGAR PRODUCERS

Sugaring in Vermont (anywhere for that matter) is a risky business; it is hard to think of any crop that is more dependent on weather. The window of opportunity for a successful season is narrow; the temperatures can be too warm, too cold, and occasionally just right. One tool available to help lessen the economic impact of a poor season is FSA's Non-insured Crop Disaster Assistance Program (NAP). NAP payments are issued when covered producers experience catastrophic loss of production due to adverse weather conditions. While the NAP payments

themselves may not be huge, what is more significant is that NAP coverage is a requirement of the Supplemental Revenue Assistance Payments Program (SURE), which is the latest version of FSA's crop disaster program. SURE is designed to insure a pre-determined level of whole farm revenue, a function of yield and price. The loss threshold for SURE is lower than that of NAP, and payments could be substantial. The deadline for purchasing 2010 NAP coverage for Maple Sap is close of business January 4, 2010. Basically, the cost of NAP is \$250 per crop per county. For more details, please call this office at 865-7895. Our toll free number is 1-800-910-2035.

COC ELECTION RESULTS

Eligible voters in LAA 2 and LAA 5 have elected their representatives to serve on the Chittenden/Washington County FSA Committee for the next three years. Voters from LAA 2, which includes the towns of Williston, Shelburne, St. George, Huntington, Hinesburg, Charlotte, and Buel's Gore, have elected Daniel Pillsbury of St. George as COC member, with Mary Taft of Huntington to serve as First Alternate.

Voters from LAA 5 have elected Morgan Churchill of Cabot as COC member, Sally Goodrich of Cabot as First Alternate, and Seth Gardner of East Montpelier as Second Alternate. Also receiving votes was Roy Folsom of Cabot. LAA 5 covers the towns of Worcester, Woodbury, Montpelier, Marshfield, East Montpelier, Calais, and Cabot.

We'd like to congratulate the new members of the County Committee, and thank them for their willingness to serve their fellow farmers. We'd also like to thank Claude Lapierre for his 9 years of service to the COC, serving LAA 2 as a COC member, vice-chair, and chair-person. Per regulation, Claude had reached his term limit, and was unable to run again. His contributions to the COC were many, and he represented his constituents well. We would also like to thank Michelle Gardner, who served LAA 5 with much enthusiasm and passion.

Chittenden/Washington County FSA Office
 1193 S Brownell Rd STE 35
 Williston, VT 05495
Return Service Requested



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Dates to Remember	
Dec. 14	2008 Livestock Forage Disaster Signup Ends
Dec. 24	Closed at 12 noon for Holiday
Dec. 25	Office Closed for Christmas Day
Jan 1, 2010	Office Closed for New Year's Day
Jan 1, 2010	New Committee members take office
Jan 29, 2010	LDP on Unshorn Lamb Pelts Closes

Selected Interest Rates for December 2009	
90-Day Treasury Bill	%
Farm Operating - Direct	2.575%
Farm Ownership - Direct	4.625%
Limited Resource	5.000%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency	4.75%
Farm Storage Facility-7 year	3.000%
Commodity Loans 1996-Present	1.375%

Continuous CRP

The Continuous Conservation Reserve Program is an 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>.

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To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202)-720-6382 (TDD). USDA is an equal opportunity provider and employer."