



United States Dept. of Agriculture



Flagstaff, Arizona
USDA Service Center

1585 S. Plaza Way, Ste 120
Flagstaff, AZ 86001-7156

Phone Number

(928) 774-2401 Ext. 2

Fax Number

(928) 774-2780

Office Hours

Monday – Friday
8:00 a.m. - 4:30 p.m. (MST)

County Committee

Marilyn Savoini-Chairperson
Nathan Kilgore - Vice Chair
Diana Kessler - Member
Joe Querta - Member
Anita Waite – Member

County Executive Dir.

Arnie Schlittenhart
(928) 774-2401 Ext. 105

Farm Loan Manager

Mike Miller
(928) 524-3214 Ext. 104

IMPORTANT DATES:

March 23, 2009

COC election ballots must be postmarked for LAA-3

March 26, 2009

COC meeting - USDA Service Center Flagstaff, AZ 10:00 AM (MST)

April 1, 2009

Farm Bill Outreach 10:00 AM - 2:00 PM
NRCS Field Office
8841 E Florentine Rd, Ste C
Prescott Valley, AZ 86314

Website

www.fsa.usda.gov



FSA NEWS

Servicing Coconino, Mohave, and Yavapai Counties



PAYMENT LIMITS and DIRECT ATTRIBUTION



For commodity and disaster programs under the new farm bill, the AGI limitation was reduced from \$2.5 million 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.

For conservation programs, the average nonfarm AGI limitation is \$1 million or less for eligibility. However, an individual or entity who has non-farm AGI in excess of \$1 million remains eligible for conservation programs only if 66.66 percent or more of the total AGI is derived from farming, ranching and forestry operations. In addition, the AGI limitation for conservation programs may be waived on a case-by-case basis if it is determined that environmentally sensitive land of special significance would be protected.

Program payments are limited by direct attribution to individuals or entities. A legal entity is defined as an entity created under Federal or State law that owns land or an agricultural commodity, product or live-stock. Through direct attribution, payment limitation is based on the total payments received by the individual, both directly and indirectly. Qualifying

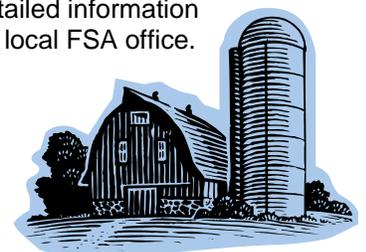


spouses are eligible to be considered separate persons for payment limitation purposes, rather than being automatically combined under one limitation.

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.

For more detailed information contact your local FSA office.

Program Payment Type	Payment Limitation
COMMODITY PROGRAMS	
Counter-Cyclical	65,000
Direct Payments	40,000
CONSERVATION PROGRAMS	
EQIP (All contracts for FY 09-12)	300,000
GRP	50,000
WHIP	50,000
WRP	50,000
DISASTER ASSISTANCE PROGRAMS	
ELAP, LFP, LIP, SURE	100,000
NAP	100,000
TAP	100,000
LDP, MAL, MLG	No Limits



Attention All Producers

To meet the 2008 Farm Bill eligibility requirements, it is mandatory to sign all new paperwork. The new forms will apply to all producers and operations regardless if there have been no changes to the operations.

What new forms are required?

- CCC-902 Payment Limitation Eligibility
- CCC-926 Average Adjusted Gross Income (AGI)
- AD-1026 Highly Erodible Land Conservation (HELIC) and Wetland Conservation (WC) Certification

- *Other applicable forms associated may apply* -

USDA Extends Comment Period for Regulation on Payment Limitations and Payment Eligibility

Agriculture Secretary Tom Vilsack announced that the comment period for the regulations defining actively engaged participation in a farming operation has been extended for an additional 60 days. FSA is seeking a diverse range of comments from different areas of the United States and farming communities.

With this extension, the public may continue to submit comments until April 6, 2009. The extension document is available at <http://www.fsa.usda.gov/FSA/federalNotices?are=home&subject=lare&topic=frd-ij>.

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.

Under rules in effect since 1988, not every member of an entity is required to contribute active personal labor or management. The interim rule requires each partner, stockholder, or member with an ownership interest to make a contribution of active personal labor or active personal management. The contribution must be regular and substantial, and documented as well as separate and distinct from any other member's contribution. The rule limits the ability of passive stockholders to continue to realize benefits from the entity.

CIVIL RIGHTS COMPLAINT PROCESS

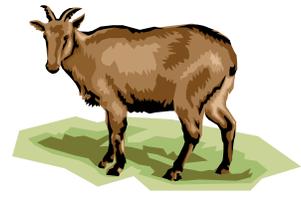
Any person, class or group of persons may file a discrimination complaint within 180 days of an alleged discriminatory action. Complaints may be filed in writing or orally with the agency head or any designated agency official; the Secretary of Agriculture, U.S. Department of Agriculture, Washington, D.C. 20250. Assistance in filing a complaint can be obtained by calling or visiting any FSA office.



MILK INCOME LOSS CONTRACT PROGRAM

The Food, Conservation, and Energy Act of 2008 (2008 Farm Bill) reauthorizes the Milk Income Loss Contract (MILC) Program through September 30, 2012. The USDA Farm Service Agency's (FSA) MILC Program supports the **dairy industry** by providing direct counter-cyclical style payments to milk producers on a monthly basis when the Boston Federal Milk Marketing Order Class I price for fluid milk falls below the benchmark of \$16.94 per hundredweight (cwt.). The 2008 Farm Bill changed the \$16.94 per cwt of milk trigger for MILC payments to a variable trigger that may be adjusted monthly for variations in feed costs above \$7.35 per cwt of a 16-percent protein feed ration. Monthly MILC payment rates will be determined and payments issued to eligible dairy operations when the Boston Class I price falls below the feed-cost-adjusted trigger. Certain per year per operation eligibility pound limits also apply

Wool & Mohair LDP Program



The Wool/Mohair LDP program is designed to support the wool and mohair industry by supplementing the price producers receive for their product when market prices fall below a minimum ("Loan") level.

To be eligible for the Wool/Mohair LDP program, you must first sign an "LDP Agreement & Request" form CCC-633EZ, Page 1 before relinquishing beneficial interest in their product.

In order to receive a payment, the producer must then complete a CCC-633EZ, Page 4 detailing their product, quantity, date of sale or loss of beneficial interest and price received.

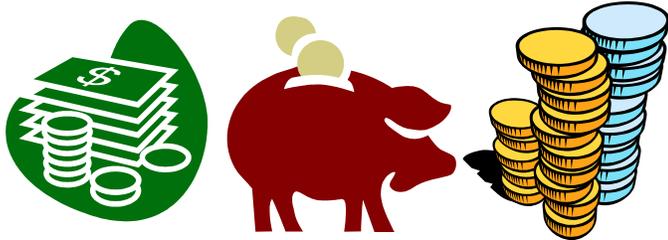
Payment rates depend on the date the producer sells or relinquishes beneficial interest in their wool/mohair. LDP rates can be viewed at <http://www.fsa.usda.gov/> and by clicking on the applicable region. [Region 2: Navajo, Apache County - Region 3: Coconino County]

Reasonable Accommodations

Reasonable accommodations will be made, upon request, for individuals with disabilities, vision impairment or hearing impairment. If special accommodations are required, please call the Farm Service Agency county office staff, and we will be happy to make any arrangements that are necessary.



USDA-FSA Agriculture Loans



AGRICULTURAL LOANS--AVAILABLE

The U. S. Department of Agriculture, through Farm Service Agency (FSA) makes and Guarantees agricultural loans; provides credit counseling and supervision to farmers and ranchers who are temporarily unable to obtain private, commercial credit.

FSA places special emphasis on outreach of underserved customers because we understand and recognize that certain groups have not participated in or have received limited benefits from USDA/FSA programs. Our goal is to increase the participation of the underserved customers, including limited-resource farmers, in FSA programs, with special emphasis on those who are socially disadvantaged or members of racial minority groups.

WHO ARE UNDERSERVED CUSTOMERS?

- Farmers/ranchers and landowners/operators with limited resources, minority groups (including American Indians, Alaskan natives, and Aleuts), women, and the physically challenged, who may need but have not fully benefited from USDA assistance;
- Individuals and groups who have not participated in or have received limited benefits from FSA programs, which may improve their quality of life and/or the environment;
- Individuals in rural communities;
- Small specialty crop farmers, organic farmers, and other farmers with production practices that differ from most farmers in the area.

FSA lends money and provides credit counseling and supervision to eligible applicants who operate family-size farms.

All loans must meet qualifying criteria to be eligible.

TYPES OF LOANS AVAILABLE

- Farm Ownership (FO)
- Farm Operating (OL)
- Emergency (EM)

A Direct or Guaranteed Farm Ownership loan provides funds to purchase farm or ranch land; repair buildings and other fixtures; promote soil and water conservation.

A Direct or Guaranteed Farm Operating loan may be used to purchase or lease items needed such as livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance or other operating expenses.

Qualifications include: must have operated a farm or ranch for at least 3 years within the last 10 years (FO Loan) and 1 year within the last 5 years (OL Loan) ; be unable to obtain sufficient credit elsewhere; be the owner and/or operator of a family size farm after the loan is closed and not be delinquent on any Federal debt.

LOAN AMOUNTS

- Direct loans can be made up to \$300,000
- Guaranteed loans can be made up \$1,094,000

YOUTH PROJECT LOANS

FSA makes loans up to \$5,000 to individual rural youth to establish and operate income producing projects of modest size *in connection* with their participation in **4-H clubs, FFA**, and similar organizations. Each project must be part of an organized and supervised program. The applicant must obtain a written recommendation and consent from a parent or guardian if he/she has not reached the age of majority. It must be planned and operated with the help of the organization advisor; produce sufficient income to repay the loan; and provide the youth with practical business and educational experience.

Eligible applicants will be between the ages of 10 and 20; live in a town of less than 50,000 people; be unable to obtain a loan from other sources.

SOCIALLY DISADVANTAGED PROGRAM

Funds are available for socially disadvantaged applicants (SDA) to buy and operate family-sized farms and ranches.

The SDA program

- Targets direct and guaranteed loan assistance to socially disadvantaged persons;
- Discovers and removes barriers that prevent full participation of those persons in FSA's farm loan programs; and
- Provides information and assistance to applicants to help them develop sound farm management practices, analyzes problems, and plans the best use of available resources essential for success in farming or ranching.
- For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians and Alaskan Natives, Hispanics, and Asian Americans and Pacific Islanders.

The program offers assistance to SDA applicants so that they may develop:

- sound farm management practices
- ability to analyze problems
- plans for the best use of available farm resources

Operating loans can be repaid within 1 to 7 years

Farm Ownership loans cannot exceed 40 years.

For additional information contact:

Mike Miller, Farm Loan Manager
51 West Vista Drive, # 2
Holbrook, AZ 86025-1844
(928) 524-3214 Ext. 104

Harriet Mann, Farm Loan Office
51 West Vista Drive, # 2
Holbrook, AZ 86025-1844
(928) 524-3214 Ext. 112

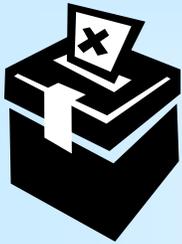
United States Department of Agriculture

Farm Service Agency
Coconino, Mohave, Yavapai County
1585 S. Plaza Way, Suite 120
Flagstaff, AZ 86001-7156



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RETURN SERVICE REQUESTED



LAA-3 County Committee Elections

Ballots for the County Committee seat for LAA-3 will be mailed to eligible voters on February 23, 2009. Voters must complete their ballots and return them to the Farm Service Agency county office by the close of business on March 23, 2009. If mailed, ballots must be postmarked by midnight March 23, 2009.



Ballots will be counted at 10:00 am on March 26th at the Flagstaff USDA Service Center.

The candidate in this year's election to serve as a committee member is Joel Querta who was nominated in LAA 3, which includes all of the Hualapai Reservation.

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, sex, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of 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 or TDD). USDA is an equal opportunity provider and employer.