



# YOLO COUNTY FSA NEWS



Volume 1

April 2009

**Yolo County FSA**

221 W. Court, Suite 3B  
Woodland, CA 95695  
(530) 662-3986 x 2  
(530) 662-4876 FAX

**Hours:**

Monday – Friday  
8:00 AM – 4:30 PM

**County Committee:**

Randy Timothy, Chair  
Bob Paschoal, Vice Chair  
Tom Slater, Member  
Rudy Lucero Jr., Advisor  
Marlene Schuler, Advisor

**County Executive**

**Director:**

Marianne A. Morton

**County Office Staff:**

Nathan Bohl  
Beth Collier  
Dee DeLuca  
Caroline Walgenbach  
Julie Zentner



*Closed Monday, May 25<sup>th</sup>  
in observance of  
Memorial Day*

**DCP SIGNUP  
CONTINUES; ACRE TO  
FOLLOW**

Signup for the 2009 Direct and Counter-Cyclical Payment (DCP) Program has been extended until August 14, 2009. This deadline is mandatory for all participants. FSA will not accept any late-filed applications.



FSA computes DCP 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 2009, you may request to receive advance direct payments based on 22% of the direct payment for each commodity associated with the farm. *Counter-cyclical* payment rates vary depending on market prices and are issued only when the effective price for a commodity is statutorily set below its target price. The Food, Conservation, and Energy Act of 2008

(the 2008 Farm Bill) provides for the ACRE (Average Crop Revenue) Program, which is an irrevocable alternative to DCP that reduces direct payments by 20% and loan rates by 30% and eliminates counter-cyclical payments on participating farms. It provides producers with an option to protect against declines in market revenue on planted acreage of the commodity crop.

You may enroll in DCP, receive advance direct payments and then later modify your enrollment to ACRE or you may wait and elect to enroll in ACRE in spring 2009. Call our office right away for an appointment if you have not signed up your farm for the 2009 DCP.



Send an e-mail to [marianne.morton@ca.usda.gov](mailto:marianne.morton@ca.usda.gov) to register for e-mail delivery of newsletters, news releases and deadline reminders



**SLATER REMAINS  
ON COUNTY  
COMMITTEE**

Congratulations to Tom Slater! Tom was re-elected to the Yolo County Committee to represent Local Administrative Area (LAA) 3, which includes Yolo County south of Road 102 and west of I-5. Tom was elected to his third term. Rich Yeung will serve as first alternate.

Nomination forms are now being accepted the LAA-2 election (the Yolo County area east of I-505 and north of CR 102).

**CHANGES UNDER THE  
2008 FARM BILL**

The Average Adjusted Gross Income Certification (now Form CCC-926) is now an annual certification that must be submitted by September 30 of the contract year. There is now a \$500,000 nonfarm and \$750,000 farm income cap.

Direct attribution: Program payments are limited by direct attribution to individuals or entities. Through direct attribution, payment limitation is based on the total payments received by the individual, both directly and indirectly.

Actively engaged in farming: each member of an entity must now make a documentable, distinct contribution of manual

labor or management on a regular basis that is both commensurate and significant. If an entity member is compensated for his/her labor or management contribution, the member's pro rata share of the entity's payment will be reduced.

Spousal changes: If an individual in a joint operation meets the requirements to be considered "actively engaged" in farming, the spouse is credited as making a significant contribution of active personal labor and/or active personal management to the same farming operation.

*Note:* It is possible some of these understandings may have changed as a result of the comment period for the regulation defining "actively engaged" in farming, which ended April 6, 2009.

Cash rent tenant rule: each member of a corporation or similar entity must now meet CRT requirements.

Substantive change: if there is an increase in the number of persons subject to limitation, substantive change is now met through an increase of 20% of DCP base acres to the operation; previously the requirement was an increase of 20% in cropland.



Leases: A lease will be considered to be a *cash* lease if the lease provides for only a guaranteed sum certain cash payment, or a fixed quantity of the crop (e.g. cash, pounds, or bushels per acre). If a lease contains provisions that require the payment of rent on the basis of the amount of crop produced or the proceeds derived from the crop, or the interest such producer would have had if the crop had been produced, such agreement will be considered a *share* lease.



If a lease provides for the greater of a guaranteed amount or share of the crop or crop proceeds, such agreement will be considered a *cash* lease if the lease provides for both 1) a guaranteed amount such as a fixed dollar amount or quantity *and* 2) a share of the crop proceeds.

Producers must submit all share leases. Cash leases must be submitted unless the operator signs a Cash Rent Certification or the landowner signs to a zero share on the DCP Contract.

## **REQUIRED ACREAGE REPORTS (FSA-578)**

Acreage reports for all cropland must be filed by producers who participate in the Direct and Counter-Cyclical Program, request a loan deficiency payment or a commodity loan, participate in the Conservation Reserve Program or participate in the Noninsured Crop Disaster Assistance Program. The 2009 fall-planted acreage reporting deadline is April 30, 2009; spring crops must be reported by July 15, 2009.



### **2008 "BUY-IN" EXTENDED**

The Food, Conservation, and Energy Act of 2008 (PL 110-246), enacted on June 18, 2008, created several new disaster programs under the title "Supplemental Agricultural Disaster Assistance." To be eligible for these programs, producers were required to obtain at least the catastrophic (CAT) level of crop insurance for all insurable crops and/or NAP coverage for non-insurable crops.

Because most sales closing dates for crop insurance and application closing dates for NAP had passed by the time PL 110-246 was enacted, a waiver was authorized to allow producers to pay a "buy-in" fee within 90 calendar days of its enactment (until September 16, 2008) for previously ineligible crops.

The American Recovery and Reinvestment Act of 2009 (PL 111-5), enacted on February 17, 2009, authorized an additional waiver which allows producers another opportunity to pay a "buy-in" fee for 2008 eligibility for all Supplemental Agricultural Disaster Assistance programs **except the Livestock Forage Disaster Program (LFP)**.

To be considered to have met the risk management purchase requirement, producers must pay a "buy-in" fee in an amount equal to the applicable CAT fee and/or NAP fee for those 2008 crops that currently do not have either a crop insurance policy or NAP coverage.

The "buy-in" fee for both CAT and NAP is \$100 per crop, but not more than \$300 per producer per administrative county, or \$900 total per producer for all counties less any previously paid fees for CAT, NAP, relief or other "buy-in". Paying the "buy-in" fees does not entitle

the producer to any 2008 crop insurance or NAP benefits; it simply establishes eligibility for all disaster assistance programs (**except LFP**).

The producer must further agree to obtain a policy or plan of insurance for each **insurable** commodity on the farm at or above 70/100 coverage for the next available insurance year for which a policy is available. Producers who purchased insurance coverage in 2009 at or above the 70/100 coverage level for a "buy-in" crop will be considered as having met the linkage requirement; those who purchased below the 70/100 will be required to purchase at least the 70/100 coverage level for a "buy-in" crop in the next available year.

For each **noninsurable** commodity, the producer will be required to pay the administrative fee by the applicable State application closing date for NAP for the next year that NAP is available. Producers who purchased NAP coverage for 2009 for a "buy-in" crop will be considered as having met the linkage requirement.

Producers must visit their local Farm Service Agency County Office to pay the appropriate "buy-in" fees and sign the appropriate forms. Fees must be received or postmarked by no later than close of business **May 18, 2009**.

UNITED STATES DEPARTMENT OF AGRICULTURE  
Yolo County Farm Service Agency  
221 West Court Street, 3B  
Woodland, CA 95695

### **IMPORTANT DATES**

4/30/09 2009 fall-seeded acreage reporting deadline  
5/18/09 2008 crop insurance and NAP "buy-in" period ends  
5/25/09 Memorial Day – office closed  
5/31/09 Final availability date for 2008 corn, rice, grain sorghum, safflower, sunflower,  
soybean, cotton and mustard seed marketing assistance loans and LDP's  
6/01/09 Deadline to submit all signatures for rice base allocations  
7/03/09 Office closed in observance of Independence Day  
7/15/09 2009 spring-seeded acreage reporting deadline  
8/01/09 NAP ACD – 2010 fall-planted seed and multi-planting crops  
8/14/09 **NEW!** Deadline to submit all signatures for and to revise shares on 2009 DCP  
Contracts and to make 2009 – 2012 ACRE elections  
9/01/09 NAP ACD – 2010 fall-planted garbanzo beans  
9/07/09 Labor Day – office closed  
10/01/09 NAP ACD – 2010 fall-planted garlic  
10/12/09 Columbus Day – office closed  
11/11/09 Veterans Day – office closed  
11/26/09 Thanksgiving Day – office closed  
12/01/09 NAP ACD – 2010 forage and honey  
12/15/09 NAP ACD – 2010 fruit and nut trees  
12/25/09 Christmas Day – office closed

*The United States Department of Agriculture (USDA) prohibits discrimination in its programs on the basis of race, color, national origin, sex, religion, age, disabilities, political beliefs and marital or familial status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audio type, etc.) should contact the USDA's TARGET Center at (202) 702-2661 (voice and TDD). To file a complaint, write the Secretary of Agriculture, U.S. Department of Agriculture, Washington, D.C. 20250 or call (800) 245-6340 (voice) or (202) 720-1127 (TDD). USDA is an Equal Opportunity Employer.*