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COLORADO TEAM USDA NEWS

This quarterly newsletter is brought to you by Colorado Team USDA, including the Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS), Rural Development and National Agricultural Statistics Service (NASS).

Important Dates to Remember FARM SERVICE AGENCY (FSA) NEWS

FSA Deadlines

February 28 - Sorghum Check off Program

March 15 – April 15 - CRP Signup

March 15-NAP application closing date for millet, amaranth, artichokes, beans, beets, broccoli, brussel sprouts, buckwheat, cabbage, melons, cantaloupe, carrots, cauliflower, celery, corn, melons, cucumbers, eggplant, flaxseed, gourds, sorghum, greens, herbs, honeydew, kochia, kohlrabi, leeks, lentils, lettuce, oats, okra, peas, peppers, potatoes, pumpkins, quinoa, radishes, rapeseed, rutabaga, safflower, soybeans, squash, strawberries, sugar beets, sunflowers, tomatillos, tomatoes, turnips, watermelons

March 31- signup for small grain MAL & LDP

May 1 Nap application closing date for parsnips

May 31- signup for coarse grain MAL & LDP

June 1 -DCP/ACRE Signup (now through June 1)

July 15 - deadline for acreage report

July 29 - SURE Signup (now through July 29)

Detailed information on all FSA programs can be found in our monthly electronic Newsletter located at www.fsa.usda.gov/co

NRCS Deadlines

March 1 – Deadline for Sage Grouse Initiative applications.

March 1 – Deadline for Organic Initiative applications for 2011 funding

April 1 – Lesser Prairie Chicken Initiative applications

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

NATIONAL AGRICULTURAL STATISTICS SERVICE (NASS) NEWS

Starting in January, NASS and Economic Research Service (ERS) will contact farmers and ranchers across the nation to conduct the Agricultural Resource Management Survey (ARMS). "This survey will provide farmers and ranchers with an opportunity to provide accurate, real-world data that will help shape the policies, programs and issues that affect them," said Bill Meyer, director of the NASS Colorado Field Office. "FARMS are USDA's primary source of information on the production practices, resource use, and economic well-being of American's farm and ranch operations."

In March, NASS will also conduct the March Agricultural Survey (also known as the Crops/Stocks Survey). "It is one of the most important yearly surveys conducted by NASS and provides the official USDA estimates of U.S. farmers' planting intentions for 2011, offering a glimpse of the upcoming growing season," said Bill. Growers will be asked to provide information on

the crop acreage they intend to plant for 2011, as well as quantities of grains and oilseeds stored on-farm. Survey results are published in the Prospective Plantings report and quarterly *Grains Stocks* report, both to be release on March 31, 2011. All sectors of the agricultural industry rely on NASS acreage, production and stocks estimates to help make sound business decisions. The *Prospective Plantings* report provides the first insight into the year's crop supplies and is used to establish futures and commodity prices worldwide.

As with all NASS surveys, information provided by respondents is confidential by law. NASS safeguards the privacy of all respondents and publishes data only in aggregate form, ensuring that no individual operation or grower can be identified.

For more information on NASS surveys and reports, visit www.nass.usda.gov, or call the NASS Colorado Field Office at 1-800-392-3202.

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General Signup Period for the Conservation Reserve Program begins March 14, 2011

The Conservation Reserve Program (CRP) is offering a general signup period from March 14, 2011 through April 15, 2011. This is the second consecutive year that USDA has offered a general CRP signup.

Eligible participants enrolled in the CRP program receive annual rental payments and cost-share assistance to establish long-term, resource conserving covers on eligible farmland. Land that is not currently enrolled in CRP can be offered during sign-up if all eligibility requirements are met. CRP participants with contracts expiring this fall can make new contract offers during the signup period. Contracts awarded during this general signup will become effective October 1, 2011.

For more information, contact your local county FSA office or visit <http://www.fsa.usda.gov/crp>.

2009 Supplemental Revenue Assistance Payments Program Application Period Began on January 10, 2011

Signup for the 2009 Supplemental Revenue Assistance Program (SURE) began January 10 and ends July 29, 2011. SURE provides benefits for 2008-2011 crop year farm revenue losses due to natural disasters.

A farm enrolled in SURE may be eligible for benefits when either:

- the farm is located in a county with a Secretarial Disaster declaration or in a contiguous county and the farm incurred crop production or qualified losses. This includes all crops grown by a producer county wide, except grazed crops
- the actual production of the farm is 50% or less than normal production of the farm due to disaster related conditions.

Please contact your local FSA office for more information.

DCP Signup & Advance Payments

Enrollment for the 2011 Direct and Counter-cyclical Program (DCP) has begun and will continue through June 1, 2011. Advance payments of 22% on the 2011 DCP program will be available starting December 1, 2010. The remaining 78% of the DCP payment will be issued after October 1, 2011.

Eligible producers receive direct payments at rates established by statute regardless of market prices. DCP contract signatures for enrollment are due by the signup deadline of June 1, 2011. Please contact your local FSA office for more information.

Sorghum Check off Referendum

USDA will conduct a referendum on the Sorghum Check off Program Feb. 1-28, 2011, at local Farm Service Agency (FSA) offices. Ballots may be obtained in person, by mail, by facsimile or at www.ames.usda.gov/sorghumpage.

Sorghum Check off is a national, coordinated, self-help marketing program designed to strengthen the position of sorghum in the market place, maintain and expand existing domestic and foreign markets and uses for sorghum, and develop new markets and uses for sorghum.

The ACRE Option

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.

An ACRE payment is issued when both the state and the farm have incurred a revenue loss. In exchange for participating in ACRE, 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, 2011 deadline is mandatory for all participants.

IRS Form 1099-G

Producers annually receive CCC-1099-Gs detailing payments producers have received from the Commodity Credit Corporation (CCC). The annual report of program payments on CCC-1099-Gs is a service intended to help our customers report taxable income. It is not intended to replace the producers' responsibilities to report income to IRS.

FSA staff cannot interpret IRS regulations or advise producers about which payments to report on their income tax returns. However, county office staff can review payments for accuracy.

Marketing Assistance Loans

A Marketing Assistance Loan (MAL) is available to producers who share in the risk of producing a crop. To be eligible, a producer must maintain continual beneficial interest

in the crop from harvest through the earlier of the date the loan is repaid or CCC takes title to the commodity.

Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; and title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loans, even if the producer regains beneficial interest.

Commodity loan eligibility also requires compliance with conservation and wetland protection requirements, beneficial interest requirements, acreage reporting and ensuring that the commodity meets Commodity Credit Corporation minimum grade and quality standards.

For commodities to be eligible they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Producers do not have to participate in the Direct and Counter-Cyclical and/or ACRE Programs to be eligible.

Conservation Loan Program

The Farm Service Agency makes and guarantees conservation loans on farms and ranches to help conserve our natural resources. The Conservation Loan (CL) Program provides farmers with the credit necessary to implement conservation measures on their land.

The direct CLs loan limit is up to \$300,000. Guaranteed CLs up to \$1,119,000 (amount adjusted for inflation) may be available by applying with lenders working with FSA to obtain a guarantee.

Conservation practices must be approved by NRCS before FSA can provide financing. Producers who do not currently have an existing conservation plan should visit NRCS to develop one prior to requesting Conservation Loan Program assistance. Examples of conservation practices include installation of conservation structures; establishment of forest cover; installation of water conservation measures; establishment or improvement of permanent pastures; transitioning to organic production; and manure management, including manure digestion systems; etc.

Farm Storage Facility Loan Program Changes

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The new maximum principal amount of a loan through FSFL is \$500,000. Participants are required to provide a minimum down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment.

Please contact your local FSA for more information.

Farm Loan Year End Reviews

Producers that have a farm loan with FSA are reminded they must provide data for their Year-End Analysis to their loan

officer each year. Borrowers are urged to provide this information timely so that their files can be maintained.

Livestock Indemnity Program

The Livestock Indemnity Program (LIP) provides monetary assistance to eligible livestock owners and livestock contract growers who lost livestock in excess of normal mortality due to an eligible adverse weather event. In order to participate in the LIP program, eligible livestock producers are required to report livestock deaths the earliest of the following; 30 calendar days of when the loss became apparent or October 31, 2011. This includes reporting deaths due to "normal mortality". There are no late-filed provisions for LIP.

Good record keeping is critical when participating in LIP. Please contact your local FSA office to learn more about this program and what records you must have in order to participate

Livestock Forage Disaster Program (LFP)

The Livestock Forage Disaster Program (LFP) provides compensation to eligible livestock producers who suffer grazing losses for covered livestock due to: drought conditions or fire on federally managed land on or after January 1, 2008 and before October 1, 2011.

For 2010 and subsequent years, signup applications must be filed no later than 30 calendar days after the end of the calendar year in which the grazing losses occurred. Losses must occur in calendar year the application is being filed.

Eligible producers must have obtained a policy or plan of insurance under FCIC or NAP coverage by the applicable sales closing date.

Additional information about LFP including eligible livestock and fire criteria is available at county FSA Offices or online at: www.fsa.usda.gov.

Noninsured Crop Disaster Assistance Program (NAP)

The noninsured crop disaster assistance program (NAP) is a federal funded program that helps producers reduce their risk when growing food and fiber crops, specialty crops and crops for livestock feed. March 15 and May 1, 2011 are the application closing date for the crops listed on the front of this newsletter.

Production records for individual crops must be filed with your local county office to establish an approved NAP yield. If participated in NAP in prior years, you must report your production and acreage on a yearly basis to keep your yield up-to-date.

Contact your local office for more information.

Rural Development (RD)

USDA Rural Development is committed to improving the economy and quality of life in rural America. Our financial programs provide for water and sewer systems, housing, health clinics, emergency service facilities, electric and telephone service. We promote economic development by supporting loans to businesses. We also offer technical assistance to help agricultural producers and cooperatives get started and

improve the effectiveness of their operations. Visit our webpage at www.rurdev.usda.gov/co

Natural Resources Conservation Service (NRCS) News

EQIP is a voluntary conservation program that offers farmers and ranchers a tool to address natural resource concerns while achieving environmental benefits. WHIP is a voluntary conservation program for people who want to develop and improve wildlife habitat on private lands.

The **Lesser Prairie Chicken Initiative** will focus on improving habitat for lesser prairie chicken in the southeastern portion of the state. Prairie chickens are ground-dwelling birds, native to sand sage rangelands of the American West. Landowners in Baca, Prowers, Kiowa, and Cheyenne counties are encouraged to visit their local NRCS field office. NRCS will utilize its Environmental Quality Incentives Program (EQIP) and Wildlife Habitat Incentives Program (WHIP) to implement this effort. The deadline to submit applications for this initiative is **April 1, 2011**.

2011 Air Quality Initiative is offered in the following nine counties: Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Jefferson, Larimer and Weld. NRCS will provide eligible farmers and ranchers with financial and technical assistance to implement cost effective and innovative practices that reduce harmful 8-hour surface ozone (the primary component of smog). NRCS will utilize its EQIP program to manage and administer the air quality initiative. Through EQIP, landowners could receive up to 65% of the cost to implement and install certain conservation practices.

The **Organic Initiative** is offered to Colorado organic producers and aspiring organic producers to address the resource concerns identified in their organic systems plan (OSP). Applications for enrollment into this special initiative are being accepted on a continuous basis. However, to be considered for 2011 funding, applications should be completed by **March 1, 2011**. The 2011 initiative allows organic producers to receive between 75 and 90 percent of the cost of better management practices.

The **Seasonal High Tunnel** practice is being offered for funding in fiscal year 2011. The seasonal high tunnels practice will help Colorado's farmers with food and other specialty crop productions. Seasonal high tunnels are polyethylene-covered structures, at least six feet in height, and are constructed of metal, wood, or plastic bow frames. Applications will be accepted on a continuous basis and the goal is to increase the availability of locally-grown produce in a conservation-friendly way. Eligible agricultural producers may apply for financial assistance for seasonal high tunnels through the NRCS Equip program.

EQIP and WHIP – General EQIP and WHIP is available in 2011 and applications will be accepted on a continuous basis.