



February 2009

New Haven/Middlesex County News

New Haven/Middlesex
County USDA Service
Center

New Haven/Middlesex County FSA

900 Northrop Road
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Wallingford, CT 06492
203-269-6665 (ph#)
203-294-9741 (fax#)
www.fsa.usda.gov/ct

Hours

Monday - Friday
8:00 a.m. - 4:30 p.m.

County Committee

Bill Weed
Chairman

Nelson Cecarelli
Vice-Chairman

Richard Brock
Regular Member

Joyce Werbiski
Minority Advisor

Next County Committee meeting will be:

Monday March 16th at
11:00 A.M.

Staff

Nancy H. Welsh
County Executive Di-
rector

Kathryn Gostyla
Program Technician

Ann Marie McCard
Program Technician

Teresa A. Peavey
Program Technician

DCP Signup Continues

Signup for the 2009 Direct and Counter-cyclical Payment (DCP) Program continues until June 1, 2009. The June 1, 2009 deadline is mandatory for all participants. FSA will not accept any late-filed applications.

The electronic DCP (or eDCP) service will save you time, reduce paperwork and speed up contract processing at FSA offices. It is available to anyone eligible to participate in the DCP Program and can be accessed at www.fsa.usda.gov/dcp. To access this on-line service, you must have an active USDA eAuthentication Level 2 account, which requires filling out an online registration form at <http://www.eauth.egov.usda.gov> followed by a visit to the local USDA Service Center for identity verification.

FSA 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 2009, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. FSA will issue advance direct payments later this month. Counter-cyclical payment rates vary depending on market prices and are issued only when the effective price for a commodity is below its target price.

Eligible producers for the DCP Program are also eligible to enroll in the Average Crop Revenue Election (ACRE) Program or the Counter-cyclical Program. The enrollment period for the ACRE Program will begin in the spring. You may first enroll in the DCP Program, receive advance direct payments and then later modify your enrollment to the ACRE program or you may wait and elect to enroll in DCP and ACRE at the same time in spring 2009.

Crop Disaster Program Signup Deadline

The Farm Service Agency's (FSA) Crop Disaster Program (CDP) signup period for years 2005-2007, will end Feb. 27, 2009.

The ending date of Feb. 27 applies to the receipt of a signed and completed FSA-840 application along with all supporting documentation and required forms at the applicable county FSA office. Sign-up information and required forms are available at each county FSA office. Late filed applications will not be approved after the Feb. 27 deadline.

All application determinations will be made by March 27, 2009. For further questions about CDP and the sign-up deadline, producers may contact their county FSA office or visit FSA's website at <http://www.fsa.usda.gov>.

Payment Limits & 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 livestock. 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.

Kansas City Mails 1099-G

During the last week of January, producers who have received payments from FSA should have also received a CCC-1099-G from the Kansas City office. A CCC-1099-G is a report to the Internal Revenue Service about FSA payments made to you during the previous calendar year. The CCC-1099-G is a service to help participating producers report taxable income. It is not intended to replace the program participant's responsibility to report income to the IRS.

If you received a CCC-1099-G, we recommend that you check the amounts shown with those in your records to see that the amounts are correct. Refunds will no longer be reported on the 1099-G, but will be available online from the FSA Financial Inquiries (FSA-FI) web-based database. Program participants with eAuthentication user ID's and passwords can access their refund information at FSA-FI and select "Inquiry Type 1099/Refund Reports". Refund amounts are displayed on the Producer's Year-to-Date Activity web page.

If you have a question concerning the 1099-G refund information, you may contact your local FSA office for assistance locating the correct payment data. If you choose to visit the office, bring your CCC-1099-G with you.

Farm Loan Programs

The Farm Service Agency (FSA) offers loans for farmers and ranchers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, borrowers might have suffered setbacks from natural disasters or might be persons with limited resources.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Currently guaranteed loans can reach a maximum indebtedness of \$1,094,000. Emergency loans are always direct loans for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth Loans, Loans to Beginning Farmers and loans for socially disadvantaged applicants are also available through FSA.

For detailed information, just contact Ellen Losee at 860-626-8258 extension#104.

FSA Farm Loans Available To Beginning Farmers or Rancher

Beginning farmers or ranchers may obtain a farm ownership loan by using funds set aside especially for them by the Farm Service Agency. These loans can be financed up to the \$300,000 loan limit, and the term of the loan can be up to 40 years. Farm ownership loan funds may also be used in joint financing where FSA lends up to 50 percent of the amount financed and another lender provides 50 percent or more. FSA may charge an interest rate of not less than 4 percent with terms up to 40 years.

Down Payment Farm Ownership Program

Purpose: To finance a down payment up to 45 percent of the purchase price of a farm. The Farm Service Agency financing cannot exceed 45 percent of the lesser of: the purchase price of the farm, the appraised value of the farm, or \$500,000. The applicant must put down 5 percent. The remainder of the purchase price can be financed on contract with the seller or a loan through a conventional lender. The lender can obtain a guarantee from FSA if the customer is eligible.

Rates: The FSA loan rate will have a term of 20 years, and currently the interest rate is 1.5 percent. Other financing must be amortized over 30 years with the interest rate negotiated by the farmer and the lender.

Qualification: Applicants must either meet the definition of a “beginning farmer” or a “socially disadvantaged applicant”. Beginning farmer applicants must have three years of farm experience, must have farmed for less than 10 years, and cannot own real estate that exceeds 30 percent of the median farm acreage for the county. Socially disadvantaged applicants include women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders.

Youth Loans

The Farm Service Agency makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects 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. The maximum loan amount is \$5000.

Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA’s general eligibility requirements
- Reside in a rural area, city or town with a population of 50,000 or fewer people
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above

- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision.

For more information please contact Ellen Losee at 860-626-8258, extension#104.

Loans for the Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of Socially Disadvantaged Applicants.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities. For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders.

If producers or their spouses believe they would qualify as socially disadvantaged, they should contact their local FSA office for details. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

Producers Wanted

Connecticut Farm-to-Chef is a free program that helps Connecticut local culinary professionals with producers and distributors of CT Grown products. Informational newsletters, workshops, networking, promotions and other opportunities are provided to members as part of the program. Additional Connecticut producers and distributors are needed for this popular and expanding program. Please help us get your product into the hands of local chefs! Contact Linda at the Connecticut Department of Agriculture, Linda.Piotrowicz@ct.gov or (860)713-2558, for more information.



| Dates to Remember | |
|----------------------------------|--|
| February 16 th , 2009 | Washington's Birthday – Office Closed |
| February 27 th , 2009 | Deadline for 2005-2007 Crop Disaster Program Applications |
| February 27 th , 2009 | Deadline for EQIP Applications |
| March 16 th , 2009 | NAP Sign-Up Application Deadline for Annually Tilled Crops |
| Continues | Continuous Conservation Reserve program |

Visit our Web site at
<http://www.fsa.usda.gov/ct>

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