March 2011

Boundary/Bonner County FSA Office

County Executive Director
Rick Bateman

208-267-2707 phone
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Hours
Monday - Friday
7:30 a.m. - 4:30 p.m.

County Staff
Debbie Willcox, PT

DCP Signup by June 1

Enrollment for the 2011 Direct and Counter-cyclical Program (DCP) will continue through June 1, 2011. FSA urges producers to make use of the eDCP automated website to sign up, or producers can visit any USDA Service Center to complete their 2011 DCP contract.

DCP Program payments are calculated 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 2011, eligible producers may request partial direct payments as an advance on the total amount.

CRP Signup Opens

The Conservation Reserve Program (CRP) general signup is set to begin on March 14, 2011, and continue through April 15, 2011. During the signup period, farmers and ranchers may offer eligible land for CRP's competitive general signup at their nearest FSA office.

Land currently not enrolled in CRP may be offered in this signup provided all eligibility requirements are met. Additionally, current CRP participants with contracts expiring this fall may make new contract offers. Contracts awarded under this signup are scheduled to become effective Oct. 1, 2011.

FSA will evaluate and rank eligible CRP offers using an Environmental Benefits Index (EBI) and cost factors. The EBI consists of the five specific environmental factors of 1) wildlife, 2) water, 3) soil, 4) air and 5) enduring benefits. Decisions on the EBI cutoff will be made after the sign-up ends and after analyzing the EBI data of all the offers.

In addition to the general sign-up, CRP's continuous sign-up program will be ongoing. Continuous acres represent the most environmentally desirable and sensitive land. More information can be found online at: www.fsa.usda.gov/crp

ACRE Signup by June 1

The ACRE Program provides a safety net based on state revenue losses and acts as an option in place of the price-based safety net of counter-cyclical payments under DCP. The June 1, 2011, signup deadline is mandatory for all participants.

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.

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%, and marketing loan rates are reduced by 30%.

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.

NOTICE TO HISPANIC AND/OR WOMEN FARMERS OR RANCHERS

COMPENSATION FOR CLAIMS OF DISCRIMINATION

If you believe that the United States Department of Agriculture (USDA) improperly denied farm loan benefits to you between 1981 and 2000 because you are Hispanic, or because you are female, you may be eligible to apply for compensation.

To register your name to receive a claims packet, call the Farmer and Rancher Call Center at 1-888-508-4429 or visit: www.farmerclaims.gov

The claims package will have detailed information about the eligibility and claims process.

USDA United States Department of Agriculture

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Grassland Reserve Program (GRP) Enrollment

Applications for GRP in FY 2011 must be submitted by March 18, 2011. Rental contracts can be for periods of 10, 15, or 20 years. Permanent easements are also available for producers interested in a long term conservation arrangement. For more information about GRP rental rates or easement payments, contact your nearest county FSA office.

Livestock Programs Available

FSA administers several programs that may be available to assist livestock producers dealing with problems caused by winter weather. To apply for assistance, producers need to document the number and kind of livestock that have died as a direct result of these winter storms. In situations where additional transport costs are being incurred to feed livestock, producers should document these additional costs.

Among the key programs are the Livestock Indemnity Program (LIP) and the Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP). For livestock death losses to be eligible under LIP, producers must file a notice of loss with their local FSA office within 30 calendar days from when the loss is apparent to the producer.

Contact your nearest FSA office for additional information.

Asparagus Program Opens

Domestic asparagus producers may sign up for compensation due to marketing losses resulting from import competition during the 2004 through 2007 crop years. Producers may apply for compensation from February 7th through April 8, 2011.

The Asparagus Revenue Market Loss Assistance Payment Program (ALAP) provides a one-time payment to eligible asparagus producers. Maximum per pound payment rates are $1.06 per pound for fresh market asparagus and $1.08 per pound for asparagus marketed for processing. Payments to asparagus producers will be calculated for each asparagus farm operation based on their 2003 marketed production quantities. ALAP provides an allocation of $7.5 million for payments for asparagus marketed as fresh, and $7.5 million for payments for processed asparagus. If the total value of payments claimed at the maximum payment rates exceeds available funding, payments will be factored uniformly to limit total payments to the funds available. Eligible producers must also have produced and marketed asparagus in commercial quantities in commercial markets in the U.S. during both of the 2003 and 2007 crop years. A producer that did not harvest asparagus in 2007 does not meet that eligibility requirement.

For more information on the ALAP Program, contact the nearest Farm Service Agency county office or go online to www.fsa.usda.gov.

NAP Enrollment

To maintain eligibility for several FSA disaster assistance programs, producers must obtain crop insurance or NAP coverage before a disaster strikes. Noninsured Crop Disaster Assistance Program (NAP) applications for coverage must be filed using Form CCC-471 and applicable service fees must be paid by the closing date. Application closing dates vary by crop. Boundary/Bonner County producers can contact the FSA Office for specific crop application sales closing dates at: 208-267-2707

Producers must obtain NAP or crop insurance coverage on all crops in order to remain eligible for the agency's Disaster Assistance Programs such as SURE, TAP, and ELAP. Producers must purchase at least catastrophic (CAT) level of insurance for all insurable crops. LFP requires coverage only on grazed acres.

NAP provides coverage to producers for non-insurable crops when low yields, loss of inventory or prevented planting occur due to natural disasters. Crops eligible for NAP coverage are those for which crop insurance is not available, including fruits and vegetables, aquaculture, pecans, turf grass and forage crops just to name a few.

More information about NAP may be found on the FSA web site located at **www.fsa.usda.gov**

FSA Payment Record

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 producers 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 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 nearest FSA office for assistance in locating the correct payment data. If you choose to visit the office, bring your CCC-1099-G with you.

Honey Loans

Honey loans are a type of marketing assistance loan. They are currently available until March 31, 2011. The national loan rate for honey is $.69 per pound. Market prices currently exceed the loan rate, so LDPs are not available at this time.

To be eligible, the producer must produce honey in the United States during the calendar year for which the loan is requested, and extract the honey on or before Dec. 31 of the applicable crop year. Producers must also maintain continuous beneficial interest in the honey through date of repayment of the loan, and be responsible for the financial risk of the operation. Producers are responsible for maintaining the quality of farm-stored honey.

The containers must be marked with the producer's name, type of honey, number of container and net weight. Pre-loan inspections are required before the loans can be disbursed.

Actively Engaged

USDA has amended the requirements of being 'actively engaged' in farming. These rules apply to eligibility for payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE).

Normally the stockholder or a member of a legal entity **must** make contributions of active personal labor and/or active personal management for the farming operation. The contributions are to be performed on regular basis, must be identifiable, and separate from the contributions of others.

The exception to this rule for a stockholder or member of a legal entity only occurs when both of the following apply:

- At least half of the interest in the legal entity is held by stockholders or members who are providing active personal labor or active personal management; and
- The total direct payments received by the legal entity and each of the members can't exceed $40,000.

Adjusted Gross Income

USDA and the Internal Revenue Service have an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent will be required from each producer or payment recipient for the tax review process. No actual tax data will be included in the report that IRS sends to USDA.

This to ensure that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are $500,000 nonfarm average AGI for commodity and disaster programs; $750,000 farm average AGI for direct payments; and $1 million nonfarm average AGI for conservation programs.

Participants in CCC programs subject to AGI rules must submit form CCC 927 (Individual) and/or CCC 928 (Legal Entity) to the Internal Revenue Service by June 15 to avoid interruption of program benefits. These forms may be obtained from FSA and NRCS offices or online at: http://forms.sc.egov.usda.gov/eforms/mainservlet.

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USDA United States Department of Agriculture

Hay Net – Your No-Cost Online Buying and Selling Market

Hay Net is a free, online hay locator service on the FSA website at http://www.fsa.usda.gov/haynet. Producers who want to buy or sell hay can post their ads at no charge to make connections. Hay Net is a popular site for farmers and ranchers who have an emergency need, such as the one caused by the current extreme winter conditions. Individual ads can be posted by producers after completing a simple online registration form.

Selected Interest Rates for March 2011	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	2.500%
Farm Ownership - Direct	4.875%
Conservation Loan	4.875%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency	3.750%
Farm Storage Facility (7 year)	2.875%
Commodity Loans 1996-Present	1.25%

Dates to Remember	
March 15	NAP Spring Planted Deadline
March 18	Grassland Reserve Enrollment Ends
March 31	Honey Loans Close
April 8	Asparagus Signup Ends
April 15	CRP General Signup Ends
June 1	ACRE Signup Ends
June 1	2011 DCP Enrollment Ends

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