



August 2010

Fremont FSA News

USDA Fremont County FSA

1210 S Industrial Park Rd
208-624-7391 phone
208-624-4423 fax
www.fsa.usda.gov/ID

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

County Staff

Tauna Saurey, CED
Marian Mallard, PT
Bobbie Larsen, PT
Nicole Pierce, PT

County Committee

Dennis Warnke, Chairman
Jorma Martindale, Vice
Chairman
Coy Crapo, Member
Susan Fransen, Advisor

New CRP Sign-up Begins August 2, 2010

Agriculture Secretary Tom Vilsack announced that a general sign-up for the Conservation Reserve Program (CRP) would begin on August 2, 2010 and continue through August 27, 2010.

Land currently not enrolled in CRP may be offered in this sign-up provided all eligibility requirements are met. Additionally, current CRP participants with contracts expiring this fall covering about 4.5 million acres may make new contract offers. Contracts awarded under this sign-up are scheduled to become effective Oct. 1, 2010.

FSA will evaluate and rank eligible CRP offers using an Environmental Benefits Index (EBI) for environmental benefits to be gained from enrolling the land in CRP. The EBI consists of five environmental factors (wildlife, water, soil, air and enduring benefits) and cost. Decisions on the EBI cutoff will be made after the sign-up ends and after analyzing the EBI data of all the offers.

Those who would have met previous sign-up EBI thresholds are not guaranteed a contract under this sign-up. 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. Contact your Fremont County Office at 208-624-7391 to make an appointment. It will take several hours to process a bid so please make an appointment so we have time to fully service your bid.

Note: To see a list of CRP practices available in Idaho and their requirements go to the Idaho website at www.fsa.usda.gov/id and click on the Conservation Reserve Program Practice Sheets.



**From the Idaho
FSA State
Committee:
Scott McLeod, Chair**

**Amy Woodworth-Wynn, Roberta Bodine and
Matt Gellings, members.**

Dear Idaho Farmers and Ranchers:

This is the first chance for the Idaho State Committee to tell all Idaho farmers and ranchers how honored we are to serve you. We are all producers and have worked with FSA programs for many years. We understand the importance of farm programs to your success and we will do everything possible to make sure Idaho producers get the best service from our many outstanding employees throughout the State.

Our emphasis for the month of August is the General sign-up for the Conservation Reserve Program. CRP is the largest conservation program in America and has produced untold benefits for American agriculture, wildlife and water quality.

When farmers sign a CRP contract we agree to many very important requirements in managing CRP land and maintaining conservation practices for the full term of the contract, even if we sell the land! Following are some important items to remember when you sign-up for CRP.

- If CRP land is sold you must make certain the new owner assumes the CRP contract. If not, you will be held responsible to refund all the payments received from the beginning of the contract, plus interest.
- In addition to returning all payments, CRP contact holders who sell land without a successor are subject to a penalty of 25% of the annual payment. The total refund you might have to make could easily exceed \$100,000.
- There are instances when developers of-



fer a large payment for CRP land. Remember, many of those buyers may not be eligible for CRP because of their high incomes. Be sure to talk to the buyer about succeeding to the contract or make arrangements on who repays if the contract term is violated. Make these agreements, in writing, before you make the sale.

- You are responsible to control weeds on CRP ground. You cannot plant and then walk away for 10 years. The penalties for not controlling weeds can be as severe as terminating the contract. You could be required to refund all the payments.
- The CRP agreement you sign is a serious contract. Make sure you understand all the details.

The State Committee has already heard appeals from producers who sold their land without a successor or did not control weeds. Except in very unusual situations, federal rules do not allow us to forgive repayment and penalties.

CRP is a great program and we look forward to working with all Idaho producers in the years to come.

Sincerely,
*Scott McLeod, Amy Woodworth-Wynn,
Roberta Bodine and Matt Gellings*

ACRE Yield Data Deadline Extended

The deadline for 2009 production certification to comply with ACRE was extended until September 1, 2010. The extension is for completing both the farm benchmark yield (2004 through 2008) and the actual farm yield (2009). Participants in the 2009 ACRE program must certify their yields by September 1, 2010 to remain eligible for ACRE benefits.

Actively Engaged

FSA wants to remind producers about the rules that govern the requirements to be '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) Program administered by FSA.

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 if 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, both directly and indirectly, by the legal entity and each of the members can't exceed \$40,000.

Wetland Compliance

Farm Bill regulations provide that, unless exempt, persons are ineligible for benefits under certain programs administered by USDA if they:

plant an agricultural commodity on wetland that was converted after December 23, 1985

- convert a wetland after November 28, 1990
- FSA may not approve any loan or loan guarantee to drain, dredge, fill, level or otherwise manipulate a wetland, or to engage in any activity that results in impairing or reducing the flow, circulation or reach of water except in the case of activity related to the maintenance of previously converted wetlands.

The following provides permitted uses and restrictions of certain wetlands for compliance with Wetland compliance provisions:

- wetlands can be farmed under natural conditions, but not converted
- wetlands converted before November 28, 1990, cannot be planted to an agricultural commodity and retain eligibility for benefits
- wetlands converted after Nov. 28, 1990, must either be restored to wetland status or mitigated to regain eligibility for program benefits.
- wetlands that can be farmed under natural conditions cannot be manipulated in any way, unless the Natural

Resources Conservation Service determines the work would have a minimal effect on the wetland values

- wetlands converted before December 23, 1985, can be farmed and maintained

Additional information about wetlands is available at the USDA Service Center.

Marketing Assistance Loans

A Marketing Assistance Loan (MAL) is available for producers who share in the risk of producing the crop. To be eligible, a producer must maintain continuous 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 loan — 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 for commodity loans.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans.

The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

SEPTEMBER 30TH APPLICATION DEADLINE SUPPLEMENTAL REVENUE ASSISTANCE PROGRAM (SURE)

The 2008 crop year SURE program is currently underway. This program passed under the 2008 Farm Bill replaces the ad hoc crop disaster programs of the past. Because of a Secretarial Disaster Designation in Montana, producers with cropland located in Fremont County who suffered a 10% loss on any one crop may be eligible for compensation under SURE. For farms not adjacent to or located in a primary disaster county a 50% loss is required to qualify.

If the following criteria applies to your farming operation for the 2008 crop year please contact the office to discuss this program.

- Some or all of your farm is located in Fremont County
- You are an operator or crop share landlord sharing in a crop
- You purchased Multi Peril Crop Insurance(MPCI) on all insurable crops planted. (Insurable crops in Fremont County are wheat, barley, oats, potatoes, dry peas, canola and mustard.)
- You purchased Non Insured Assistance(NAP) coverage thru FSA on all non insurable crops such as alfalfa, corn, grass for hay.
- You have a 10% loss in production on any one crop in your farming operation. (For the SURE program payment formula a national average market price received is taken into account. Unlike prior disaster programs, the 10% loss is not based on yields alone.)

Because all crops in all counties that a producer has an interest in must be insured to qualify for this program, most of the information needed to complete an application is already available at the county office.

Some exemptions may apply to the insurance requirement if the crop is a minor acreage in your overall farming operation or if you qualify as a Socially Disadvantaged, Limited Resource or Beginning Farmer or Rancher.

Please contact the county office as soon as possible if you have questions regarding this program. The application period ends **September 30, 2010.**

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Electronic Services Available

If a producer has Internet access, program participants can access many services from home 24 hours a day, seven days a week, and receive approval and payment by direct deposit within 48 hours. To participate in these services, you must meet all program eligibility requirements. Online services have stringent security measures to protect your private information.

To utilize electronic services a producer needs an active USDA eAuthentication Level 2 account, which requires an e-mail address and filling out an online registration form at <http://www.eauth.egov.usda.gov/> followed by a visit to the county office for identity verification.

Contact your local USDA Service Center for more information.

Selected Interest Rates for August 2010	
Farm Operating - Direct	2.5%
Farm Ownership - Direct	4.6%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency	3.750%

Dates to Remember	
August 1	Recons must be requested
August 2	Deadline to submit COC election nominations
Sept 1	Deadline for ACRE benchmark (2004-2008) actual 2009 yield
Sept 30	NAP sign-up deadline for fall seeded and perennial grass seed for the Northern District.

The United States Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance programs. (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).

⁴ To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202)-720-6382 (TDD). USDA is an equal opportunity provider and employer."