



# NEWSLETTER



August 2012

Lewis-Clearwater  
County  
Farm Service Agency

521 Oak Street, Room 9  
Nezperce ID 83543

(208) 937-2291 phone  
(208) 937-2234 fax  
[www.fsa.usda.gov/ID](http://www.fsa.usda.gov/ID)

**Hours**  
Monday - Friday  
8:00 am - 4:30 pm

**County Committee**  
Dennis Behler  
Cory Brown  
Earl Lawrence  
Justin McLeod  
Leroy Praest  
Nathan Riggers  
Steve Meek  
Jean White

**Staff:**  
Karel Wemhoff, CED  
Kathy Gruell, PT  
Jennifer Lux, PT  
Kaci Ralstin, PT  
Jeannette Dreadfulwater, PT

## Effective August 31, 2012

**The Clearwater County FSA Office  
will be combined with the Lewis  
County FSA Office located at 521  
Oak Street in Nezperce.**

**Phone: 208-937-2291**

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## NAP Reminders and Deadlines

**SALES CLOSING DATE:** The deadline to purchase Non-Insured Assistance Program (NAP) coverage on bluegrass for the 2013 crop year is **September 30<sup>th</sup>**.

If your coverage needs are the same as for 2012, you do not need to make a visit to the office – just send in your payment made payable to Commodity Credit Corporation (CCC). The service fee is the lesser of \$250 per crop or \$750 per producer per administrative county, not to exceed a total of \$1,875 for a producer with farming interests in multiple counties. If insurance needs have changed since last year, we will need your signature - a quick visit to the office will be necessary.

The NAP program offers coverage against production losses on crops that are not insurable through Risk Management Agency's Federal Crop Insurance program. Crops covered by NAP in our area include seed crops such as grass or clover, all type of forage and grazing. The program guarantees 50% of your proven yield at 55% of the established price for the crop. Proven yields are calculated using a minimum of four years of actual records, up to a maximum of ten years.

**NOTICE OF LOSS:** The CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. Timely filing of a Notice of Loss is required for all crops including grass. For losses on crops covered by NAP or crop insurance, you must file a CCC-576, Notice of Loss, in the FSA County Office within 15 days of the occurrence of the disaster or when losses become apparent.

If filing for prevented planting, an acreage report and CCC-576 must be filed within 15 calendar days of the final planting date for the crop.

## REMINDER: New Crop Reporting Requirements

Beginning this Fall for the 2013 year, crop reporting deadlines have been changed:

<b>November 15</b>	Forage crops
<b>December 15</b>	Fall planted crops including wheat, barley, canola, and peas
<b>July 15</b>	Spring planted crops, CRP

Come see us as soon as your fall seeding is complete. If you request, we can forward your completed crop report to your FCIC agent to meet their fall reporting deadline of December 15th.

## CRP Highly Erodible Land Initiative

Sign-up for the Highly Erodible Land Initiative under the Conservation Reserve Program (CRP) began on July 23, 2012. The purpose of this initiative is to protect up to 750,000 acres of the nation's most highly erodible croplands. Producers may enroll at their local Farm Service Agency (FSA) county office. Enrollment will continue until the 750,000 acre limit has been met. 5,300 acres have been allocated to Idaho. Offers are accepted on a first come-first served basis.

Through this Highly Erodible Land Initiative, eligible landowners receive annual rental payments and cost-share assistance to establish long-term, resource conserving covers on eligible cropland and maintain it for a period of 10 years. Croplands with an erodibility index of 20 or greater are eligible for enrollment.

CRP is a voluntary program designed to help farmers, ranchers and other agricultural producers protect their environmentally sensitive lands. For more information producers are encouraged to contact their local FSA office or visit FSA's website at: [www.fsa.usda.gov/crp](http://www.fsa.usda.gov/crp)

## Actively Engaged

FSA wants to remind producers about the eligibility rules that require program applicants to be 'actively engaged in farming'. These eligibility rules apply to payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE) program administered by FSA.

To be eligible for payments and benefits under specified programs, all program participants, either individuals or legal entities, must provide significant contributions to the farming operation to be considered as "actively engaged in farming." Contributions can consist of capital, land, and/or equipment, as well as active personal labor and/or active personal management. The management contribution must be critical to the profitability of the farming operation and the contributions must be at risk.

Landowners may be considered "actively engaged in farming" if they contribute the owned land to the farming operation and in return, receive rent or income for the use of the land. The landowner's share of the profits or losses from the farming operation must also be commensurate with the landowner's contributions to the farming operation and the contributions must be at risk.

Spouses may both be considered "actively engaged in farming" if one spouse makes all of the requisite and at-risk contributions.

## Adjusted Gross Income

USDA and the Internal Revenue Service have established an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent is 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 FSA.

This process ensures 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.

## 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 continual beneficial interest in the crop from harvest through the date the loan is repaid or CCC takes title to the commodity, whichever is earlier. Beneficial interest means:

- a) retaining the ability to make decisions about the commodity,
- b) being responsible for loss or damage to the commodity and
- c) possessing 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 stipulates compliance with all of the following requirements:

- Conservation and wetland protection
- Beneficial interest
- Acreage reporting
- Minimum grade and quality standards set by the Commodity Credit Corporation

In addition, for commodities to be eligible they must:

- have been produced by an eligible producer
- exist in a storable condition
- 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 commodity and 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.

## FSA Farm Loans

The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, contact your nearest FSA office for details about direct and guaranteed loans.

Ask your current lender about an FSA loan guarantee if you've had a setback and your current lender is reluctant to extend or renew your loan.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans have a maximum limit of \$1,214,000.

The one-time loan origination fee charged on FSA guaranteed farm ownership and operating loans is 1.5 percent of the guaranteed portion of the loan.

To find out more about FSA loan programs, contact the county office staff to schedule an appointment.

## Beginning and Limited Resource Loans

FSA has a program to assist beginning farmers and members of socially disadvantaged groups to finance agricultural enterprises. Under these programs, FSA can provide financing through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for 10 years or less
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county's median size.

Each member of an entity must meet the eligibility requirements and loan approval is not guaranteed. Additional program information and loan applications are available at local FSA offices or visit [www.fsa.usda.gov](http://www.fsa.usda.gov).

**IMPORTANT REMINDER -- FCIC PREMIUMS ARE DUE EARLY THIS YEAR:**

**August 31**                      **Canola**  
**September 30**                **All other crops**

## Preventing Fraud

The Farm Service Agency supports the Risk Management Agency (RMA) in the prevention of fraud, waste and abuse of the Federal Crop Insurance Program. FSA has been, and will continue to, assist RMA and insurance providers by monitoring crop conditions throughout the growing season. FSA will continue to refer all suspected cases of fraud, waste and abuse directly to RMA. Producers can report suspected cases to the FSA office, RMA, or the Office of the Inspector General.

## Electronic Services Available

With Internet access, program participants can access many services from home 24 hours a day, seven days a week, and receive both approvals and direct deposit payments within 48 hours.

To participate in these electronic 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 [www.eauth.usda.gov/](http://www.eauth.usda.gov/) followed by a visit to the county office for identity verification.

If you have more questions, or would like assistance establishing your account, just contact your local USDA Service Center and talk with our trained FSA personnel.

## Sign Up for FSA *Fence Post* for Daily Updates

The Farm Service Agency *Fence Post* is an online newsletter that is updated on an almost daily basis. It contains articles of interest on the agency's programs and departments, as well as success stories from the field. To access *Fence Post* visit <http://fsa.blogs.govdelivery.com/>. On this website, producers can sign up for *Fence Post* updates by putting an email address in box that says "Get Email Updates" and then navigating to the publication's sign up check box.

### Selected Interest Rates for August 2012

Farm Operating - Direct	1.25%
Farm Ownership - Direct	3.00%
Limited Resource	5.00%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans -Amount of Actual Loss	2.25%
Farm Storage Facility – 7 year	1.00%
Farm Storage Facility – 10 year	1.625%
Farm Storage Facility – 12 year	1.875%

### Dates to Remember

Sept 3	Office Closed for Labor Day Holiday
Sept 30	NAP Signup Deadline - Bluegrass
Oct 8	Office Closed for Columbus Day
Nov 12	Office Closed for Veteran's Day
Nov 15	Forage Crop Reporting deadline
Nov 22	Office Closed for Thanksgiving Day
Dec. 1	NAP Signup Deadline for forage and grazing
Dec 15	Fall crop reporting deadline
Dec 25	Office closed for Christmas Day