



December 2010

Nez Perce County
 USDA Service Center
 1630 23rd Ave, Suite 1201
 Lewiston, ID 83501
 (208) 746-9621
 (208)798-3164 fax
www.fsa.usda.gov/id

Hours
 Monday – Friday
 8:00am – 4:30 pm

County Committee:
 Greg Weber, Chairman
 Neil Heitstuman,
 Vice-Chairman
 Ralph Schwartz, Member

Staff:
 Dale George, CED
 Tricia Uhlenkott, PT
 Christy Randall, PT
 Diana Menzel, PT
 Bardell Faux, FL Manager
 Brian Hill, Farm Loan
 Officer
 Jason Fisher, Farm Loan
 Officer
 Annette VonBargen, FL PT

DCP and ACRE Signup, Advance Payments

Enrollment for the 2011 Direct and Counter-Cyclical Program (DCP) and also the 2011 ACRE Program 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 your DCP payment will be issued after October 1, 2011. ACRE is a revenue based payment alternative to the price-based counter-cyclical (CC) payments.

In DCP, eligible producers receive direct payments at rates established by statute regardless of market prices. DCP or ACRE contract signatures for enrollment are due by the signup deadline of June 1, 2011.

Conservation Loan Program

The Conservation Loan (CL) Program provides farmers with the funds to implement conservation measures on their land. The available limit for a direct CL is \$300,000, and the limit for a guaranteed CL is \$1,119,000.

The Natural Resources Conservation Service (NRCS) will work with applicants to develop a conservation plan containing approved conservation practices. Examples of some conservation practices are: water conservation structures, forest cover, permanent pastures, farm equipment to implement conservation practices. If it's needed for a conservation plan – it's probably eligible for a conservation loan.

For more information on a potential Conservation Loan, call this office at 208-746-9621.

IRS Form 1099-G

Each year producers receive 1099-G forms from the Commodity Credit Corporation (CCC) detailing payments producers have received from the CCC. CCC's annual report of program payments on the 1099-Gs help our customers report taxable income. It is not intended to replace the producer's own responsibility to report income to the 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.

Commodity Loans

Commodity loans, also referred to as Marketing Assistance Loans, are available to producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop through the time of application. During the term of the loan, loss of beneficial interest is a violation of loan provisions.

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.

Maintaining the Quality of Loaned Grain

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

LDP Deadline on Wool LDP's

Eligible producers have until January 31, 2011, to apply for Loan Deficiency Payments (LDP) for Wool produced during the 2010 crop year.

LDP's are also available for the wool on unshorn lambs sold or slaughtered, and mohair.



Commodity Loan Rates for Nez Perce County

SWW	\$3.33/bu
HRS (DNS)	\$4.22/bu
HRW	\$3.10/bu
Barley	\$2.18/bu
Peas	\$6.33/cwt
Lentils	\$13.17/cwt
Lg Garbs	\$11.28/cwt
Sm Garbs	\$7.43/cwt
Canola	\$8.17/cwt

Spousal Signatures

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

There are exceptions to the rule, where spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities.

Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents.

For more clarification on spousal signature authority, feel free to contact this office.

Online Services

Producers, if you have Internet access you can electronically log on, fill out and print a variety of FSA paper forms in the comfort of your home as your schedule allows. You can also register for secure electronic access that will allow you to electronically sign and transmit some forms directly to the county office staff. If you are new to the website, first you will want to obtain a Level 2 USDA Service Center Customer ID and password at:

<http://www.eauth.egov.usda.gov/> and then click on "Create an Account Page" link.



Continuous CRP

The Continuous Conservation Reserve Program (CCRP) allows participants to enroll acreages in conservation practices that will reduce soil erosion, improve water and soil quality and provide wildlife habitat and food sources.

Continuous CRP program participation is voluntary. Eligible landowners enter into contracts that range from 10 to 15 years in length. In return, the landowners will receive annual rental payments, incentive payments for certain activities, and cost share for establishment.

Annual rental payments have increased for most soil types in 2010. CCRP pays 120% of the established annual rental rates for many of the conservation practices.

Many CRP cover practices include signing bonuses and practice installation payments that enhance the benefits to landowners and operators for installing the practices.

For more information on Continuous CRP enrollment availability, please contact this office or visit the website <http://www.fsa.usda.gov/pas/publications/facts/html/crpcont03.htm>.

Farm Reconstitutions

At FSA, farms are "constituted" to group all tracts having the same owner and the same operator under one farm serial number. When changes in ownership or operation take place, a farm reconstitution is necessary. If an owner or operator can not agree about program participation, like in the case of the new ACRE program, then producers should inquire about a reconstitution of the farm at the local FSA office.

The reconstitution—or recon—is the process of combining or dividing farms or tracts of land based on the farming operation. Remember, to be effective for the current year, recons must be requested by **August 1** for farms enrolled in specific programs.



BCAP Update

Instructions for Biomass Conversion Facilities (BCFs) to become approved BCAP-certified facilities are anticipated in the next few weeks. The actual Memorandum Of Understanding (MOU) or agreement will be similar to the first pilot phase program but will contain new language that will address requirements of the new regulation. Biomass Conversion Facilities may wish to contact the FSA State Office to make sure they are notified when this information is received. BCFs and interested producers can also watch the national website for further BCAP information at www.fsa.usda.gov under Energy Programs.

All BCFs must complete and submit the MOU, along with any other documents or permits required by the notice. This is the first step in the BCAP process. Additional notices dealing with project area proposals and new procedure on the collection, harvest, storage and transportation cost portion are also scheduled to be released shortly. The new BCAP regulation has significant changes in required conservation plans, fair market value and eligible material that will be explained in future notices.

Rural 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 \$5,000.

Many farm and even city families have found the Youth Loan program an excellent means to introduce the next generation to the business of agriculture. Is there someone in your family who may qualify?



Beginning and Limited Resource Farmers

FSA sets aside targeted funding to assist beginning farmers and or members of socially disadvantaged groups to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- 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 % of the county's average size.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit www.fsa.usda.gov

Loans for the Socially Disadvantaged

While all qualified producers are eligible to apply for Farm Service Agency loan programs, the FSA has provided priority funding for 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 a group.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

Both operating loans and loans for the purchase or improvement of farms or ranches are available under this category.

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Selected Interest Rates - December 2010	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	1.750%
Farm Ownership - Direct	4.125%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Conservation Loan	4.125%
Emergency	3.750%

Dates to Remember	
Dec. 24	Christmas Holiday
Dec 31	New Year Holiday
Jan. 2	Deadline – 2010 Honey Production - NAP
Jan. 2	Deadline – Honey Hive Reports
Jan. 17	Martin Luther King Jr. Holiday
Jan. 30	Deadline to file 2010 ELAP

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