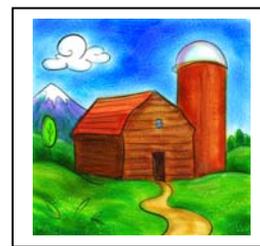




March / April / May 2010

Twin Falls FSA - Quarterly “Tater Talk”



USDA Twin Falls County FSA

1441 Fillmore St. Ste B
Twin Falls, ID 83301

Phone: (208) 733-5380
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www.fsa.usda.gov

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

County Staff

Lance Phillips – CED
Candy Hansing – PT
Susan Kime – PT
Jenae Prescott – PT
Angela Sandoval – PT

County Committee

Carol Wells – Chair LAA 1
Kent Lierman – LAA 2
FT Freestone – LAA 3

FSA Committee Meetings @ USDA Service Center

- March 2 – 10 A.M.
- April 6 – 10 A.M.
- May 4 – 10 A.M.



County Committee Election Results

Congratulations to Carol Wells! Carol was re-elected to represent farmers from in Local Administrative Area (LAA) 1 in the Buhl / Castleford Areas on the FSA county committee. Carol was elected to her second consecutive term. The election results for LAA 1 are:

Carol Wells — Elected to the county committee (COC),

No — 1st or 2nd alternates to COC were voted for, FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

The committee members held their organizational meeting on February 2nd and Carol Wells will serve as the county committee chairman and Kent Lierman as vice-chairman.

Adjusted Gross Income (AGI) - Producers Certification NEEDED!!!!

The 2008 Farm Bill set limits on Average Gross Income (AGI) that all participating producers filled out last year in able to receive FSA payments. The AGI 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.

With the start of the 2010 Fiscal Year, USDA has been able to develop a Memorandum of Understanding (MOU) with the Internal Revenue Service to establish an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs.

The partnership MOU allows the IRS to review and confirm that gross income levels have not been exceeded instead of requiring

three years of tax records to be brought to your local FSA office.

Written consent will be required from each producer or payment recipient for the IRS review process. Each partner or producer will need to fill out a separate form and send it directly to the IRS with person’s signature as FSA power of attorney signatures are not valid for the IRS. No actual tax data will be included in the report that IRS sends to USDA.

The two forms are form the CCC-927 (Individual) and/or CCC-928 (Legal Entity) that need to be sent to the Internal Revenue Service by June 15. If forms are not completed repayment of all 2009 program payments will be required. These forms may be obtained from local FSA offices or online at: <http://forms.sc.egov.usda.gov>.

2008 Crop Disaster Program – Sign-Ups Underway!!!

The Supplemental Revenue Assistance Payment Program (SURE) sign-up is underway for the 2008 crop year. No deadline has been announced at this time. The SURE program provides benefits for farm revenue losses due to natural disaster.

To be eligible, a producer must first have had at least a 10% weather-related production loss in one or more crops of economic significance. In addition, eligibility is dependent on having had all crops insured (excluding grazing land and crops not expected to contribute at least 5% of the total farm revenue for that year).

There are exceptions. Two BUY-IN’s were available that allowed producers the opportunity to buy coverage to make a crop eligible. Also, certain producers are eligible for a waiver of the crop insurance requirement, so don’t assume you are ineligible without checking! The waivers are for beginning farmers or ranchers, limited resource producers, and socially disadvantaged producers.

Interesting FACT: Idaho FSA is 4th in the nation for funds allocation per employee at \$3,400,000.00 dollars.

If you had a weather-related production loss in 2008 and would like to see if you are eligible for the program please call or come into the office.

If you had federal crop insurance or our NAP insurance, we will be able to print out a report that shows which crops were insured. The report will also tell us if you participated in one of the BUY-IN's. If you didn't have crop insurance, we will ask questions to see if you qualify for a waiver.

For 2008, Twin Falls County producers do not have to meet the additional requirement of having at least a 50% loss in revenue to qualify due to a contiguous disaster declaration that would normally apply. Producers in counties declared a disaster or contiguous to a county declared a disaster, do not have to meet this additional loss requirement to qualify. Additionally payments for the 2008 SURE program have increased payment calculations using Federal Stimulus Funds.

The SURE program is substantially different than prior crop disaster programs. It takes all crops in all counties into consideration when calculating payment eligibility. SURE is a revenue based program that looks at National Average Market Prices (NAMP). Due to the program's complexity, we urge you to ask questions and ask for your patience as the program rules and guidelines are being implemented for the first time.

Marketing Assistance Loans

Marketing Assistance Loans (MALs) are marketing tools available to producers beginning upon harvest or shearing. The MAL provides an influx of cash when market prices are typically at harvest-time lows, which allows the producer to delay the sale of the commodity until more favorable market conditions emerge. Allowing producers to store production at harvest or shearing provides for a more orderly marketing of commodities throughout the year.

MALs are available for crops of wheat, corn, grain sorghum, barley, oats, upland cotton, extra-long staple cotton, long grain rice, medium grain rice, soybeans, other oilseeds (including sunflower seed, rapeseed, canola, safflower, flaxseed, mustard seed, crambe and sesame seed), dry peas, lentils, small chickpeas, large chickpeas, graded wool, non-graded wool, mohair, honey and peanuts.

Producers may obtain MALs on all or part of their eligible production anytime during the loan availability period. The loan availability period runs

from when the commodity is normally harvested (or sheared for wool and mohair) until specified dates in the following calendar year. The final loan/LDP availability dates for the respective commodities are as follows:

Final Loan/LDP Availability Date	Commodity
January 31	Mohair, Peanuts, Wool, and Unshorn Pelts
March 31	Barley, Canola, Crambe, Flaxseed, Honey, Oats, Rapeseed, Sesame seed, and Wheat
May 31	Corn, Dry peas, Grain sorghum, Lentils, Mustard seed, Long grain rice, Medium grain rice, Safflower, Small chickpeas, Large chickpeas, Soybeans, and Sunflower seed

The interest rate charged on a commodity loan is set at 1 percentage point above CCC's cost of borrowing from the U.S. Treasury at the time the loan is made as required by Section 163 of the Federal Agricultural Improvement and Reform Act of 1996 Act. Once a loan is made, the rate is fixed except the interest rate for loans outstanding on January 1 is adjusted to reflect CCC's cost of borrowing on January 1, plus 1 percentage point.

MALs mature on the last day of the ninth calendar month following the month in which the MAL is approved. A producer may settle an outstanding nonrecourse MAL: before maturity period by repaying the MAL; or upon maturity by forfeiting the commodity to CCC.

For all loan eligible commodities (except long and medium grain rice), a producer may repay a MAL any time during the loan period at the lesser of the:

loan rate plus accrued interest and other charges;
or

alternative loan repayment rates as determined by CCC.

If you are interested in or would like more information on MALs please contact the FSA office.

Socially Disadvantaged Producers

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.

Actively Engaged – Changes for 2010

USDA has amended 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 the FSA.

Every stockholder or member of a legal entity, such as a corporation, does not have to contribute labor or management 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 that altogether qualifies as a significant contribution to the farming operation;
- The total direct payments received, both directly and indirectly, by the legal entity and each of the members cannot exceed \$40,000.

Farm Loan Programs

The FSA offers loans for eligible 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.

DCP / ACRE Updates

As authorized by the 2008 Farm Bill (Food, Conservation, and Energy Act of 2008), producers on eligible farms may elect to participate in the Average Crop Revenue Election (ACRE) Program. Under ACRE, producers may receive revenue-based payments as an alternative to receiving price-based counter-cyclical (CC) payments.

A farm's payment is based on a revenue guarantee calculated using a state benchmark yield and the most recent 2-year national price for each eligible commodity. For 2010, the 2-year price average will be based on the 2008 and 2009 crop

years.

Payments are based on planted or prevented planted acres of program crops. In order to receive a payment for the crop, the actual revenue for the state and farm must be less than state ACRE guarantee and farm ACRE guarantee respectively. The total number of planted acres for which a producer may receive ACRE payments may not exceed the total of all base acres on the farm. In exchange for participating in ACRE, a farm's direct payment is paid at 80% of the calculated payment, and marketing assistance loan rates are reduced by 30%. Counter-cyclical payments are not earned under the ACRE program.

Producers on participating ACRE Program farms must annually report acreage and production to FSA. Failure to do so may result in being ineligible for ACRE program benefits. The decision to enroll in the ACRE Program is irrevocable and once ACRE is elected, the farm will only be eligible for the ACRE Program through the 2012 crop year. This means you cannot elect to participate in Direct and Counter-Cyclical Program (DCP) in future years once ACRE has been elected for the farm. The owner and all producers on the farm must agree to enroll in ACRE.

Newsletter Update:

Last year FSA tried to send out a monthly newsletter, but due to budget cutbacks the newsletter for 2010 will only be quarterly. Priority of information and critical deadlines for programs will be displayed on the first page.

Additionally we would like to add a **HELP US HELP YOU SECTION**, where we put producers most asked questions. If you have something that has been unclear or a program question, please let us know so that we can add that to the newsletter to help other people with the same question.

FSA Office Remodel Complete – A NEW Look!-

Every 5 Years USDA leases are required to go to public bid for office space. The Twin Falls USDA Office building lease expired recently and was put out to public bid. The same building was low bid, but a reassessment and remodel was part of the new lease contract.

If you haven't been to the office since late December 2009 you are in for a pleasant surprise.

Interesting FACT: Idaho is the 2nd largest producer of Malt Barley, second to North Dakota by a small margin.

Twin Falls County FSA Office
 1441 Fillmore St. Ste B
 Twin Falls, ID 83301



**PRESORTED STANDARD
 U.S. POSTAGE PAID
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**Selected Interest Rates for
 February 2010**

Farm Operating - Direct	2.625%
Farm Ownership - Direct	4.875%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	3.75%

Dates to Remember

Date	Event
	COC Meets The first Tuesday of the month at the USDA Service Center at 10:00 am.
June 1, 2010	2010 DCP / ACRE Sign up Deadline
June 15, 2010	Deadline for Producer AGI certifications to the IRS
June 30, 2010	Crop Reporting Deadline
August 1, 2010	Last Date to Request a Farm Reconstitution.
March 31 st	Final Loan / LDP availability date for Barley, Wheat Oats & Honey
May 31 st	Final Loan / LDP availability date for Corn and Dry Peas.

The new space better fits our needs and is already helping to making us more efficient and producers more comfortable. With new carpet, counters, and storage it is a great start to a new year.

Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA.

All individuals who are not U.S. citizens, and have purchased or sold agricultural land in the county are required to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form (FSA-153) could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, Realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

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, audiotope, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

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."