



NEWSLETTER



TATER TALK –February 2011 – NEWSLETTER ONLINE

**Twin Falls County
FSA Office**
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Hours

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

County Staff

Lance Phillips – CED
Candy Hansing – PT
Susan Kime – KPT
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 1st – 10 A.M. -

New CRP General Sign-up

New sign-ups for the Conservation Reserve Program (CRP) will begin on March 14, 2011, and continue through April 15, 2011. During the signup period, producers may offer eligible land for CRP's competitive general signup.

There are many types of CRP practices. Some include efforts to improve the level of water in the Snake River Aquifer and increased coverage for the Columbian Sharp Tailed Grouse. Producers will need to determine if they have land eligible, figure out the best practice for the land and make certain they have all the proper elements so they can obtain a high EBI ranking.

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 become effective Oct. 1, 2011.

To help ensure that interested farmers and ranchers are aware of the signup period, USDA has signed partnership agreements with several conservation and wildlife organizations that will all play an active role in USDA's 2011 CRP outreach efforts. Among others, Idaho FSA collaborates with NRCS and the Idaho Fish and Game Dept. who also partners with Pheasants Forever.

As administrator of the Conservation Reserve Program, FSA will evaluate and rank eligible CRP offers using an Environmental Benefits Index (EBI) that assists in calculating the environmental benefits to be gained from the contract. The EBI consists of five environmental factors (wildlife, water, soil, air and enduring nefits). Cost factors are also entered into the equation.

CRP Expiring?

There are over 117,000 acres of CRP expiring in 2011 around Idaho. You may be wondering how you as a landowner can maintain the conservation benefits that CRP is providing, while at the same time providing income generation to your agricultural operation. CRP can be an important “working lands” tool for Idaho landowners, by providing an annual rental payment while addressing important resource needs by planting perennial vegetation.

The first and easiest option is to try to reenroll the land in the next general CRP sign-up. As you know with CRP, the higher the landowner's Environmental Benefits Index (EBI) the more likely the offer is to be accepted. The easiest way to increase your EBI score is to improve your grass/forb planting to a more wildlife friendly mix or maybe install pollinator habitat.

A second option, if you have land in the eastern and southern part of the state is to see if you qualify for Idaho's State Acres For Wildlife Enhancement (SAFE). This program is a practice within CRP that is targeted at lands within Columbian Sharp-tailed Grouse range. SAFE is nearly the same as CRP in providing an annual rental payment, while having the landowner improve their parcel to provide important habitat for sharp-tailed grouse. SAFE is a continuous sign-up so there is no need to wait for the announcement of a general sign-up.

A third option is to convert your CRP into a grass-based agricultural operation. This means instead of breaking up that important sod and putting the land back into row crop production, you keep it in grass and instead turn to haying or grazing for income.

The Natural Resources Conservation Service (NRCS) has several programs that are

designed to assist a landowner in making this transition; the most notable is the Environmental Quality Incentive Program (EQIP). Your best bet is making an appointment with a NRCS representative to discuss options for technical and financial assistance in installing fencing, watering facilities, and improving range seeding as well as assistance in designing a prescribed grazing system on your property.

These options will help a landowner to both retain the resource benefits provided by the original enrollment in CRP as well as reward them for this benefit with a continued revenue stream. Interested landowners should contact their local USDA Service Center for more information.

SURE – 2009 and Later

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters. **SURE sign up for crop year 2009 losses runs from Jan. 10 to July 29, 2011. Deadlines for 2010 and 2011 crop years will be announced later.**

To be eligible for SURE payments, a producer is required to obtain crop insurance on all crops in all counties

or, if crop insurance is not available, to participate in the Non-Insured Assistance Program (NAP) except for grazed acreage. This requirement does not apply for crops that are not of economic significance or where the administrative fee required to buy NAP coverage exceeds 10% of the value of the crop coverage.

Eligible farmers and ranchers who meet the definition of Socially Disadvantaged, Limited Resource, or Beginning Farmer or Rancher are exempt from the risk management purchase requirement.

The following conditions are required to trigger SURE payments:

- at least one crop of economic significance must suffer a 10% production loss due to an

eligible disaster condition

- crop of economic significance is a crop that has contributed or would have contributed at least 5% or more of the total expected revenue from all crops on the farm

- producers in counties declared disaster counties by the Secretary of Agriculture, or in contiguous counties, or those who show proof of an individual loss of at least 50% are eligible to receive SURE payments for crop production or crop quality losses.

Losses are measured with consideration to the whole-farm revenue, which includes crop insurance indemnities and commodity program payments, so that producers are not paid more than once for the same loss.

Note that due to the need to wait for end of year market price data to make final SURE calculations, SURE assistance payments lag the crop year's end by one full year.

If you would like additional clarification call or stop by your local FSA office.

Sorghum Check-off Referendum Scheduled

USDA will conduct a referendum on the Sorghum Check-off Program Feb. 1-28, 2011, at local Farm Service Agency (FSA) offices. Ballots may be obtained in person, by mail or facsimile at county FSA offices, or via the Internet at www.ams.usda.gov/sorghumpage.

Any eligible person engaged in the production of importation of sorghum from

July 1, 2008, to December 31, 2010, is eligible to participate. Individuals are required to provide documentation such as a sales receipt or remittance form that shows they engaged in the production or importation of sorghum.

Sorghum Checkoff is a national, coordinated, self-help marketing program designed to strengthen the position of sorghum in the market place, maintain and expand existing domestic and foreign markets and uses for sorghum, and develop new markets and uses for sorghum.

1099-G is in the Mail

Producers who have received payments from FSA are also receiving a CCC-1099-G

in the mail. A CCC-1099-G is a report to the Internal Revenue Service regarding FSA payments made to producers during the previous calendar year. The CCC-1099-G is a service to help participating producers report taxable income.

When the CCC-1099-G is received, it should be checked with your records to see that the amounts are correct. It is not intended to replace the program participant's responsibility to report income to the IRS.

ATTENTION: Refunds are no longer reported on the 1099-G, but will be available online from the FSA Financial Inquiries (FSA-FI) web-based database.

Program participants with an eAuthentication user ID and password may 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 local FSA office for assistance locating the correct payment data.

Conservation Loan Program

A new loan program provides farmers with the funding necessary to implement NRCS approved conservation measures on their land. Available limits for a direct Conservation Loan (CL) \$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, manure digesters and other installations.

For more information on a potential Conservation Loan, call the local FSA office and make an appointment with your farm loan officer.

Actively Engaged

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 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 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 does not exceed \$40,000.

Adjusted Gross Income

USDA has a Memorandum of Understanding 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. Written consent from the IRS to verify AGI compliance will be required from each producer or payment recipient. No actual tax data will be included in the report that IRS sends to USDA.

The agreement 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.

Participants in CCC programs subject to average AGI rules must submit form CCC-927 (Individual) and/or CCC-928 (Legal Entity) to the Internal Revenue Service by June 15. These forms may be obtained from local FSA and NRCS offices or online at: <http://forms.sc.egov.usda.gov/eforms/mainervlet>.

Beat the RUSH!

We don't mean our State Director Richard Rush ☺ we mean the crop reporting rush! A new Online Crop reporting system is being implemented in FSA in 2011. As with all new software changes the process can be slow and time consuming. You can get ahead of the June 30th deadline by doing a partial report of fall planted crops, like wheat, and perennial crops that are already planted, like alfalfa and pasture ground. Then your crop report will only include the spring crops, thereby saving time waiting for the reporting program to process. The winter is a great time to "beat the rush" before spring work arrives.

DCP 2011 – In Full Swing

October 1st, 2010 started the 2011 DCP / ACRE signup period. As you have time before spring work gets underway, stop by the office and review your DCP / ACRE contracts and update your eligibility files for the 2011 fiscal year. You can receive up to a 22% advance payment on your completed contracts.

To ACRE or Not to ACRE?

The ACRE program continues to take ongoing signups just like DCP starting October 1st, 2010. In 2009 the State of Idaho paid more than 30 million in ACRE payments to producers throughout the state for Wheat. Stop by the office and review the rules and how ACRE might fit your operation instead of the traditional DCP program. ACRE producers have a 20% reduction in their regular DCP payment amounts, but if yields and market prices are low can payout considerably more if the State and Farm triggers are met. For more information stop by the office and talk to Key Program Technician Susan Kime.

Those of you already enrolled in ACRE remember to bring in your 2010 production records by June 30th, 2011.

MILC – Start Month Reminder

The ups and downs are difficult to keep track of in the Milk market these days, but make sure that you know what month you have selected as the start month if a MILC rate is put in place. For 2011 the rate is activated when the Boston Class 1 milk price drops below \$16.94 / cwt. or when feed costs exceed a rate set by the program. To change your start date you need to make the change by the 14th of the previous month prior to a rate being put in place or your normal start month already starting.

Livestock Producers – Verifiable Inventories!!!

2008 saw permanent livestock programs added to the Farm Bill. Good records are the key to applying for payments and VERIFIABLE RECORDS of inventories help the process speed through. Verifiable inventory is determined when someone other than owners
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or operators confirm the number, types, and weight classes for a herd. Brand inspections, tax records with the number of animals, or loans are considered verifiable records. Additionally if you are a cash run operation that does not have the availability of any verifiable records, upon request FSA can do a measurement service to verify the number of animals in January for \$46.00 for the first hour and \$16.00 for each hour after each year.

The program continues to be calendar year so losses in January and the following November / December count towards the same year's payments for calving losses. The better you keep pictures of losses the easier determination from FSA will be able to be completed. All weather related losses need to be recorded within 30 days of the loss if payment is going to be made, but normal mortality records can be kept and turned in prior to January 31 of the following year at the latest and still be used towards payments of previously recorded weather related losses. If you have additional questions on how to keep FSA acceptable records or record losses please contact Jenae Prescott – Program Technician at the office.

Dates to Remember	
Jan. 17, 2011	Martin Luther King's Birthday – Office Closed
Jan. 31, 2011	Last day request 2010 Mohair, Wool and Unshorn Pelt LDP
Feb. 21, 2011	George Washington's Birthday
Jan. 31, 2011	Yearly Deadline for Livestock Programs Application for Loss
30 days	Loss of Livestock reported to Office due to Natural Event
January 31, 2011	Deadline for Wool and Unshorn Pelts LDP & Market Assistance Loans for 2010
Spring 2011	New Signup for Conservation Reserve Program (CRP) to be announced
Spring 2011	Signup for 2009 Crop Disaster (SURE) program to be announced
March 15, 2011	CRP General Signup 41 Begins!!!!
March 15, 2011	Deadline for Spring Planted Crops to Purchase Non-Insured Assistance Coverage (NAP)
March 31, 2011	Deadline for Barley, Honey, Oats, Wheat LDP's and Market Assistance Loans (MAL)
April 15, 2011	CRP Signup 41 Ends!!!!
May 31, 2011	Deadline for Corn and Dry Peas LDP & MAL's
June 1, 2011	DCP / ACRE Filing Deadline
June 15, 2011	Deadline for Completing 2011 Average Gross Income Statement to IRS
June 30, 2011	Crop Reporting Deadline
August 1, 2011	Election Nominations for LAA 2 (Twin Falls, Salmon Tract, Filer) due to local FSA Office
August 1, 2011	Deadline for Initiating a Farm Reconstitution (Changes in Farm Owner / Operators)
October 1, 2011	Start up for Initiating 2012 Reconstitutions (Changes in Farm Owner / Operators)
October 1, 2011	Signup for 2012 DCP / ACRE Begins
December 1, 2011	Deadline for Perennial Planted Crops to Purchase Non-Insured Assistance Coverage (NAP) for Alfalfa, Grass, Grazing, etc.
14 th of Preceding Month	MILC program monthly deadline to change start month for payments
Yearly Deadlines	

Selected Interest Rates for February 2011	
Farm Operating – Direct	2.250%
Farm Ownership – Direct and Conservation Loan	4.750%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency	3.750%