



UNITED STATES
DEPARTMENT OF
AGRICULTURE

Rice County FSA News



NOVEMBER 2010

RICE COUNTY FSA

1480 W US HWY 56, RM 101
Lyons, KS 67554-9209
TEL: (620) 257-5184
FAX: (620) 257-2653

Service Center Hours

Monday – Friday
8:00 AM – 4:30 PM

Farm Loan Programs:

By appointment for Rice County visits:
(620) 669-8161

County Committee

Mark A Engelland, Chairperson
Eric D Kratzer, Vice-Chairperson
Jacob M Behnke, Member
Margaret A Scheufler, Advisor
COC meets the 2nd Wed. of the month @ 8:30 a.m.

Employee Information

Rodney Ackerman, CED
Judy Borgen, Program Technician
Tammy Clark, Program Technician
Tracy Minnis, Program Technician
Connie Weber, Program Technician
Janna Splitter, Temporary PT
Herb Unruh, Field Assistant



FSA-www.fsa.usda.gov

LOAN RATES

COMMODITY – 2010

Wheat	\$2.80/bu
Corn	\$1.98/bu
Soybeans	\$4.91/bu
Oats	\$1.43/bu
Gr. Sorghum	\$3.34/cwt
Sunflowers	\$10.27/cwt
Barley	\$1.90/bu

RECORD CHANGES

Owner/Operator changes such as: **newly purchased land, land sales, deceased individuals, or are renting different land**, make sure to report the changes to the FSA Office within 30 days from the occurrence. For farm ownership changes you will need to provide a recorded deed or land contract. Failure to maintain accurate records with FSA on all land you have an interest in could lead to possible ineligibility for USDA benefits.

In the Spotlight

Dec 1, 2010: Deadline to pay NAP fee(s) for small grains for grazing or forage (hay) this includes wheat, barley and triticale, alfalfa, oats forage (hay), and grass for grazing or forage.

Dec 6 – Final date to return completed COC Election Ballot for election in LAA-2.

Dates FSA offices will be closed:

November 25 – Thanksgiving Day

December 24 – Christmas Day

December 31 – New Years Day

Jan. 17, 2011 – Martin Luther King Day

February 21, 2011 – Presidents Day

2011 DCP SIGNUP

Signup for the 2011 Direct and Counter Cyclical Program (DCP) is underway. We plan to mail the 2011 CCC-509 contracts to the operators in the next few weeks. Operators will be responsible for making sure all applicable forms are properly completed and timely submitted.

The 2011 program will be the same as 2010. Farms with bases of 10.0 acres or less are not eligible for DCP or ACRE unless owned by producers who meet the FSA definition of a socially disadvantaged applicant (SDA) or a limited resource producer. Shares of payments must follow the share and risk of planted crops as in the past.

FSA computes DCP Program payments using 83.3% of the base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2011, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. Counter-cyclical payment rates vary depending on market prices and are issued only when the effective price for a commodity is statutorily set below its target price.

Along with sign-up, producers will be asked if there are any changes to their farming operations (ie... changes in land owned and or operated, newly established entities such as Trusts, Inc., LLC's, etc..). **All producers requesting payments will be required to complete a new CCC-926, AVERAGE ADJUSTED GROSS INCOME (AGI) STATEMENT for 2011.**

Signup for the 2011 DCP program will end June 1. All signatures must be in the office by close of business on June 1. Late filed provisions do not apply.

2011 ACRE SIGNUP

The ACRE program signup is held in conjunction with the regular DCP signup. ACRE payments are revenue-based payments and are tied to crop production and the National Average Market Price for planted, and considered planted, covered commodity crops or peanuts on the farm. ACRE payment acreage is limited to the total amount of base acres on the farm, and can only be issued for a crop if two triggers are met for the covered commodity crop or peanuts.

State Trigger: The Actual State Revenue for the program year must be less than the State ACRE Guarantee.

Farm Trigger: The participating farm's Actual Farm Revenue for the program year must be less than the Farm ACRE Guarantee.

Producers who elect the ACRE program for a farm agree to:

- 1) forgo counter-cyclical payments; 2) accept a 20-percent reduction of the direct payments; and 3) accept a 30-percent reduction in loan rates for all commodities produced on the farm

Commodities eligible for ACRE payments are wheat, corn, grain sorghum, barley, oats, upland cotton, long grain rice, medium and short grain rice, peanuts, soybeans, sunflower seed, canola, flaxseed, safflower, mustard seed, rapeseed, sesame seed, crambe, dry peas, lentils, small chickpeas and large chickpeas. **Double cropped acres are not eligible for ACRE unless the FARM can prove normal yields 2 of the last 4 years, for the same crops planted. Example: Soybeans after wheat, you must be able to prove you harvested normal yields 2 of the past 4 years.**

The ACRE program was created to give producers an option in lieu of traditional counter-cyclical payments.

To elect ACRE for a farm, producers must complete Form CCC-509 ACRE, which irrevocably elects ACRE for the farm through crop year 2012. Form CCC-509, the contract to participate in ACRE, must then be completed each year the producer intends to participate and receive benefits.

REMEMBER: ONCE IN ACRE ALWAYS IN ACRE.

For more information on ACRE check out the FSA website at: www.fsa.usda.gov/dcp

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 cannot 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.

Reporting 2011 Small Grain Acreages

At this time we are not taking 2011 small grain (wheat, barley, oats, triticale, etc...) acreage reports. We are getting 2011 DCP contracts and other eligibility forms ready for mailing. Beginning January 10, 2011, producers may contact our office to schedule an appointment to complete this task. The final date to certify small grains is May 31, 2011, or 15 days prior to haying or grazing.



County Committee Election

Ballots have been mailed to voters in LAA-2 (Raymond, Center, Atlanta, Bell, Valley, Sterling, and West Washington townships) Steven A Nielsen and Galen D Deutsch are the candidates for this year's election. Please take the time to vote and return your ballot.

Ballots must be returned to FSA or postmarked no later than December 6th. Voting by PROXY/POA is prohibited. Remember to sign the ballot.

Unsigned ballots are invalid and are not tabulated.

Each County Committee (COC) member is elected by the eligible producers in their area for a 3 year term.

They are responsible for administering several FSA programs at the county level and determining producer eligibility for many of them, including DCP, price support and farm loan programs, and conservation and disaster programs.

Farm Storage Facility Loan Program

USDA makes loans to participants to purchase and construct new storage structures for farm products. The maximum loan amount is \$500,000. The term of the loan on the larger loans may be for 7, 10 or 12 years. The interest rates for loans approved in October are 2.125% for a 7 year loan, 2.625 for 10 year, and 2.875 on 12 year loans. The principle amount must exceed \$100,000 to be eligible for the 10 year term and \$250,000 for a 12 year term. There is a \$100 application fee. USDA requires a 15% down payment for the program. Eligible storage structures include grain bins, drying equipment, concrete pads, and the electrical needs of the bins, just to name a few. FSA also lends on silage pits, hay sheds, and other farm storage structures. Producers will be required to carry crop insurance or NAP on all crops of economic significance.

Special Accommodations

Special accommodations will be made, upon request, for individuals with disabilities, vision impairment, or hearing impairment. If special accommodations are required, please call the FSA Office and we will be happy to make arrangements that are needed.

Foreign Investors 90 Day Reporting Rule

Foreign investors acquiring or transferring any interest in agricultural land exceeding 10 acres are required to report the transaction to FSA within 90 days. Failure to disclose this interest can result in civil penalties of up to 25 percent of the land's market value.

Crop Assistance Program

Signup for the Crop Assistance Program (CAP) began October 25, 2010, and continues through December 9, 2010. CAP will make payments available to producers of eligible crops that received Secretarial disaster designations due to excessive moisture or related conditions in 2009. Eligible counties in Kansas include: Bourbon, Chautauqua, Cherokee, Cheyenne, Cowley, Hamilton, Haskell, Meade, Montgomery, **Rice**, Sherman, Stevens, and Sumner. The crop must have been physically located in an eligible county to be eligible for payment.

Producers of eligible crops on farms in disaster counties who had a 5 percent or greater crop loss in 2009 due to excessive moisture or related conditions will receive a payment based on the planted and considered planted acres of the crop. Per acre payment rates will be prorated by FSA in order to keep payments within available funds for the program. Producers will initially receive 75 percent of their CAP payment. The predetermined payment rates are: Soybeans \$15.62 per acre and Upland Cotton \$17.70 per acre. Signup for CAP ends December 9, 2010.

The general eligibility provisions, payment limits and adjusted gross income limits that apply to FSA programs apply to CAP. Additionally, CAP payments will be treated as 2009 revenue under the Supplemental Revenue Assistance Payments (SURE) Program

CCC-927 or CCC-928 Must Be Sent To IRS

Producers who participated in 2009 or 2010 programs subject to adjusted gross income limitations (AGI) had to certify compliance with AGI rules. The average AGI verification process for 2009 and 2010 payment eligibility requires all program participants to provide written consent to IRS for the disclosure of certain information to FSA.

On October 6, 2010, a letter was mailed to producers who have not submitted:

- **CCC-927:** "Consent to Disclosure of Tax Information-Individual Form"
- **CCC-928:** "Consent to Disclosure of Tax Information-Legal Entity"

Individuals and legal entities, including members of legal entities, that certified to average AGI compliance for 2009 and/or 2010 payment eligibility must submit a completed CCC-927 or CCC-928 to IRS regardless of whether they received program benefits directly or as a member of a joint operation or entity. These forms must be submitted to IRS in order to avoid a demand for refund of program payments and benefits received.

PLEASE NOTE: THESE FORMS WILL HAVE TO BE FILED AGAIN FOR THE 2011 PROGRAM YEAR.

Conservation Loan Program

Farm Service Agency has a new Conservation Loan (CL) program that will provide farmers access to credit to implement conservation techniques that will conserve natural resources.

CL funds can be used to implement conservation practices approved by the Natural Resources Conservation Service (NRCS), such as the installation of conservation structures; establishment of forest cover; installation of water conservation measures; establishment or improvement of permanent pastures; implementation of manure management; and the adaptation of other emerging or existing conservation practices, techniques, or technologies. The interest rate for this program will be the real estate interest rate which is 4.375% for October 2010.

Direct CLs can be obtained through FSA offices with loan limits up to \$300,000. Guaranteed CLs up to \$1,119,000 are available from lenders working with FSA. There is not a "test for credit" for this CL program and therefore farmers of all financial strengths are eligible for this program. There is a streamlined application process for applicants with a strong financial position that meet certain financial requirements.

Non-discrimination Statement

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