A Look Back / A Look Forward

2010 is behind us and will go on record as one of the driest in history. Rainfall recorded at the Oregon County FSA office was 31.66” which was 13.91” below normal.

What will 2011 bring us?

The 2008 Farm bill brought about major changes in the way we administer disaster programs. It put an end to ad hoc disaster programs and required farmers to obtain risk management policies to be eligible for disaster assistance.

That means, you are required to obtain crop insurance (there are no insurable crops in Oregon County) or obtain a Non Insured Crop Disaster Assistance policy or request a waiver to be eligible for drought disaster assistance under the Livestock Forage Program (LFP). We’ll go into more detail how LFP is triggered later in the LFP section.

For those of you who met this requirement in 2010, it paid off. By the end of this month we will have paid out over $650,000 to Oregon county livestock producers under LFP for the loss of pasture due to drought in 2010.

It was close though. The drought severity to trigger LFP had to occur during the grazing period April 15th through November 15th. After being on the drought monitor since the third week in June, it didn’t happen until November 9th when the county was upgraded to D3 “Severe Drought”. Only one week to spare.

So what to do in 2011? See what triggers the program in the LFP section in this newsletter. As of February 1, Oregon County is at D2 “Severe Drought” on the U.S. Drought Monitor. To view the U.S. Drought monitor go to: http://www.drought.unl.edu/dm/monitor.html.

If you’re eligible for a waiver it’s a no brainer. Take out a 2011 NAP grazing policy application by March 15 and you’re eligible for both programs and we will get an acreage report at that time and avoid late filed report fees.

If you are not eligible for a waiver and wish to continue coverage for 2011 you must make application by March 15 and pay the $250 administrative fee.

We are now ready to take applications for coverage for 2011. As you have noticed, as we have become more computerized it does not necessarily mean we have become faster. For example, it takes longer to pull up maps and print out eligibility forms and etc. March 15 will be here soon so if you give us a call before you come by we’ll try to have everything ready and save you some time.

The rest of this newsletter is devoted to a more detailed review of the disaster programs.

I know programs can become complicated, so please call us with any questions you may have.

Hoping for a better 2011,

Dennis Johnson, CED
Non Insured Crop Disaster Assistance (NAP) Coverage Application Deadline is March 15

There are no insurable crops in Oregon County. Nap coverage is available for yield based crops such as corn, soybeans, grain sorghum and forage and hay crops. Coverage is also available for grazing acres which is required to be eligible for the Livestock Forage Program.

March 15th is the last day for producers to apply for Non-Insured Crop Disaster Assistance Program (NAP) coverage using Form CCC-471, Application for Coverage, and pay the service fee at the county office. To download the electronic "NAP Basic Provisions Document", form CCC-471 NAP BP, go to: http://www.fsa.usda.gov/Internet/FSA_File/ccc_471_nap_bp.pdf. The application and service fee must be filed by March 15th, the deadline date for 2011 grazing acre coverage and coverage for spring planted crops which include: forage sorghum, oats, potatoes, soybeans, sunflowers and all spring planted specialty crops grown for food.

The service fee is $250 per crop per county or $750 per producer per county. The fee cannot exceed a total of $1875 per producer with farming interest in multiple counties. Limited Resource Producers (LR), Beginning Farmers (BF) and Socially Disadvantaged Producers (SD) may request a waiver of service fees. See definitions below.

BF: A beginning farmer or rancher is an individual or entity for which both of the following are true;

· The farmer or rancher or entity or joint operation has not operated a farm or ranch for more than 10 years.

· The farmer or rancher substantially participates in the operation.

SD: A socially disadvantaged farmer or rancher is a farmer or rancher who is a member of a group whose members have been subject to racial or ethnic prejudice because of their identity as members of a group without regard to their individual qualities. Groups include: American Indians or Alaskan Natives, Asians or Asian Americans, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, and Hispanics

LR: Is a farmer or rancher that meets the criteria for both of the following: In each of the last 2 years - 1) gross farm sales not more than $146,400 and 2) adjusted household income less than $22,050 as entered on IRS Form 1040, Adjusted Gross Income Section. For FY 2011 programs this should be compared with your Adjusted Gross Income for 2009 and 2008.

Note. If a legal entity requests to be considered a “socially disadvantaged”, “limited resource”, or “beginning” farmer or rancher, at least 50 percent of the persons in the entity must in their individual capacities meet the definition as provided on form FSA-217. Farmer or rancher includes: “owners”, “operators” and “other producers”.

Livestock Forage Disaster Program

The Livestock Forage Disaster Program (LFP) provides compensation to eligible livestock producers who suffer grazing losses for covered livestock due to drought conditions.

Eligible livestock producers may receive assistance for qualifying grazing losses that occur due to drought, during the calendar year in which the loss occurs.

Grazing losses for the covered livestock must have occurred on land that is physically located in a county that is, during the normal grazing period for the specific type of grazing land or pastureland for the county, rated by the U.S. Drought monitor as having any of the following:

- D2 (severe drought) intensity in any area of the county for at least 8 consecutive weeks during the normal grazing period for the specific type of grazing land or pastureland for the county – eligible for a 1-month payment

- D3 (severe drought) intensity in any area of the county at any time during the normal grazing period for the specific type of grazing land or pastureland for the county – eligible for a 2-month payment

- D3 (extreme drought) intensity in any area of the county for at least 4 weeks during the normal grazing period (not consecutive weeks) for the specific type of grazing land or pastureland for the county or is rated a D4 (exceptional drought) intensity in any area of the county at any time during the normal grazing period for the specific type of grazing land or pastureland for the county – eligible for a 3-month payment

The monthly payment rate will be an amount equal to 60...
percent of the lesser of:

- the monthly feed cost for all covered livestock, using a feed grain equivalent (feed grain equivalent for adult beef cow is 15.7 pounds of corn per day)
- the monthly feed cost calculated using the normal carrying capacity for the grazing land.

Example: Oregon County became eligible by getting a D3 status on November 9, 2010. Sixty percent of the monthly feed cost rates x 2 months were: Adult beef-$42.44, Non Adult Beef-$31.84, Adult Dairy-$100.36, Non Adult Dairy- $31.84, Sheep & Goats-$10.61

The current farm bill ends this fiscal year so drought eligibility criteria require that the drought must have occurred on:

- before October 1, 2011
- native or improved permanent vegetative cover
- small grains or forage sorghum planted specifically for grazing

County committees can only accept applications after being notified by the National Office of qualifying drought. Signup applications must be filed no later than 30 calendar days after the end of the calendar year in which the grazing losses occurred.

**NAP or FCIC coverage or waiver is required to be eligible for LFP.**

Additional Information about LFP including eligible livestock and fire criteria is available at county FSA offices or on line at: [www.fsa.usda.gov](http://www.fsa.usda.gov).

**Livestock Indemnity Program (LIP)**

A new calendar year for the LIP program has begun and has started with some severely cold weather. There is not a risk management requirement to be eligible for LIP.

LIP will compensate producers for livestock death losses in excess of normal mortality rates due to adverse weather that occurred on or after 01/01/2011 and before 10/01/2011. Producers who had livestock deaths due to adverse weather conditions should document these losses as to the kind, weight range, number of livestock, and the date the animals were lost. A Notice of Loss must be filed within 30 calendar days of when the loss of livestock is apparent to the participant. Producers must have proof of death of livestock by the following:

- Rendering truck receipts or certificates
- Veterinary records
- Dairy herd improvement records
- Third-party verification

On form FSA-926, the third party must certify in writing name, address, and telephone number, affiliation of the third party to the participant, details of knowledge of livestock deaths, and the number and kinds of livestock. The third party may not be someone such as a hired hand or family member. Producers should keep veterinary records, disposal costs, or take photos and provide third-party verification.

**Emergency Livestock Assistance Program**

ELAP provides compensation to eligible producers of livestock, honey bees, and farm-raised fish for losses due to disease, adverse weather, or other loss conditions, including losses due to blizzards and wildfires. ELAP is for losses that are not covered by Livestock Indemnity Program (LIP), Livestock Forage Disaster Program (LFP), or Supplemental Revenue Assistance Program (SURE).

Eligible producers under ELAP may receive assistance for losses that occur on or after January 1, 2008, and before October 1, 2011, during the calendar year in which the loss occurs. Eligible losses include feed losses, physical losses and additional costs incurred in providing feed to eligible livestock.

There are two parts to the ELAP application process.

1) A notice of loss  2) Application for payment

An application for payment cannot be filed without a notice of loss. Producers shall file a notice of loss within 30 days of when the loss is apparent to the participant.

There are no late filed provisions for ELAP. Producers with eligible losses must timely file an acreage report on grazing land acres, honey bee colonies and farm-raised fish pond acres.

Eligible physical losses of honey bees and honey bee hives, lost due to adverse weather or loss conditions are eligible under ELAP. Producers will be required to provide documentation of beginning and ending inventory of honey bee colonies when claiming a physical loss of honey bees or honey bee hives. Physical losses will be compensated at 60 percent of the actual replacement cost of the honey bees or honey bee hives.

**NAP or FCIC coverage or waiver is required to be eligible for ELAP.**

Additional ELAP information is available at FSA county offices or on line at [www.fsa.usda.gov](http://www.fsa.usda.gov).
Emergency Conservation Program

The Emergency Conservation Program (ECPD) drought provides cost share assistance for emergency conservation measures to supply emergency livestock water where there is a critical shortage.

The County Committee continues to monitor water conditions throughout the county and for the third time has requested the Emergency Conservation Program due to the critical shortage of livestock water.

If the request is approved we will issue another newsletter and news release.

How You Can Become A Weather Reporter

2010 was one of the driest and hottest years on record. Since the U.S. Drought monitor triggers programs such as LFP, the County Committee and staff made every effort to relay the drought conditions of the County to the U.S. Drought Monitor reporters. They’re response was that they don’t get very much data from this area. Very frustrating.

Rainfall here at the County Office is reported daily on the Community Collaborative Rain, Hail, and Snow Network (CoCoRaHS). As you know, during drought conditions, rains are not usually widespread and received by everyone.

Individuals may also join CoCoRaHS and report rainfall. Information to join can be found at: http://www.cocorahs.org/. Click “Join CoCoRaHS” on the main menu.

You may also post drought impacts and comments with the U.S. Drought Monitor at: http://droughtreporter.unl.edu/map.jsp.

The more individuals we could encourage to join and report rainfall and drought impacts the better.

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