



December 2010

**Churchill/Washoe/
Storey/NW Nye and
Pershing County
FSA Offices**

Bob Baldwin
County Executive Director
111 Sheckler Road
Fallon, NV 89406
775-423-5124 x 105
775-428-1335 Fax
www.fsa.usda.gov/NV

Hours
Monday - Friday
7:30 a.m. - 4:30 p.m.

Fallon Office Staff
Imelda Andersen, PT
775-423-5124 x 102

County Committee:
"Mickey" Laca, Chair
Raymond Kretschmer, Vice
Chair
Valerie Christoph, Member
Steve Damonte, Member
Robert James, Member

Lovelock Office Staff
Terry Goldsworthy, PT
110 American Blvd.
Lovelock, NV 89419
775-273-2922 x 100
775-273-3508 Fax

County Committee:
Vance Vesco, Chair
Mike Phillips, Vice Chair
Colby Burke, Member

Carolyn Persinger,
Farm Loan Chief
775-784-5411 x 110
1755 E Plumb Ln, Ste 202
Reno, NV 89502

Gus Wegren,
District Director
775-784-5411 x 113
1755 E Plumb Ln, Ste 202
Reno, NV 89502

**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. For more information producers can contact their local FSA office.

**Disaster Assistance Programs /
Risk Management**

- FSA disaster assistance programs include:
- Supplemental Revenue Assistance Payments (SURE) Program
 - Livestock Forage Disaster Program (LFP)
 - Livestock Indemnity Program (LIP)
 - Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish (ELAP)
 - Tree Assistance Program (TAP)

To be eligible for SURE, TAP, and ELAP, producers must purchase catastrophic risk protection insurance for all insurable crops, and NAP coverage for non-insurable crops.

Farm-Raised Fish means all fish being produced for sale by an eligible producer. In the case of honey, the term "farm" means all bees and beehives in all counties that are intended to be harvested for a honey crop by the eligible producer.

Producers who meet the definition of Socially Disadvantaged, Limited Resource Producer, or Beginning Farmer or Rancher, do not have to meet this risk management purchase requirement.

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 helps 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.

**LDP Deadline on Unshorn
Lamb Pelts**

Eligible producers have until Jan 31, 2011, to apply for Loan Deficiency Payments (LDP) for wool, mohair, and unshorn pelts produced during the 2010 crop year.

To be eligible, producers must have beneficial interest in the commodity or have filed CCC-633, page 1 prior to loss of beneficial interest. For unshorn pelts, must have owned the lamb for at least 30 calendar days before the date of slaughter and sell the unshorn lamb for immediate slaughter. Producers must also comply with wetland conservation and highly erodible land conservation provisions on all lands they operate or have interest in.

To qualify for payment, the wool, mohair, and/or pelts must have been produced by an eligible producer from live animals of domestic origin in the United States.



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 new language that will address requirements of the new regulation. Biomass Conversion Facilities may wish to contact the FSA office in their state 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 the MOU and submit it, 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 harvest, transportation portion or matching payment program 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 the Notice.

Nevada Biofuels

FSA in Nevada hosted a *Biofuels Opportunities* Meeting on Nov. 9 in Carson City. Input was obtained from a variety of interested parties regarding infrastructure development and agricultural production issues. Comments will assist in final development of a USDA Biofuels Report being prepared in Washington, DC. Written comments may be sent to: mark.williams@nv.usda.gov or call 775-887-1222 x116

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

This year's large grain crop has its obvious up side, but there is a downside too. Many producers are hard pressed to find adequate storage for every bushel harvested. Overfilled grain storage bins can lead to grain quality problems.

Bins are ideally designed to hold a maximum volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

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.

Farm Loan Programs

The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, or regularly borrow from FSA, direct and guaranteed loans are currently available.

If you've had a setback and your lender is reluctant to extend or renew your loan, ask your lender about an FSA loan guarantee.

Direct farm ownership loans or farm operating loans may be obtained from FSA for a maximum of up to \$300,000. Guaranteed loans can reach a maximum of \$1,119,000. Producers are encouraged to apply early so that the application and loan can be processed and funded in a timely manner.

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.

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, manure digesters and other installations. For more information on a potential Conservation Loan, call the local FSA office and make an appointment with a loan officer.

CCC-927 or -928 Disclosure Form Needed by 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 either: CCC-927: "Consent to Disclosure of Tax Information-Individual Form", or 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.

Voting for County Committee Begins

Ballots for this year's county committee election will be mailed to eligible voters on November 5, 2010. Voters must complete their ballots and return them to the Farm Service Agency county office by the close of business on December 6, 2010. If mailed, ballots must be postmarked by midnight December 6, 2010.

This year the candidates are:

Vance Vesco is nominated in LAA 3, Pershing County, to serve as a committee member.

The Fallon COC has two LAA's up for election this year. In LAA 1, Robert James is running again for his COC seat. LAA 2 has two candidates running: Timothy Lawson and Stan Ceresola.

Eligible voters in a local administrative area 3 who have not received a ballot should contact the FSA county office staff.

Voter Requirements Persons meeting requirements in **1 or 2, plus 3**, below, are eligible to vote:

1. Be of legal voting age and have an interest in a farm or ranch as either a) or b):
 - a) an owner, operator, tenant or sharecropper, *or*
 - b) a partner in a general partnership or member of a joint venture that has an interest in

a farm as an owner, operator, tenant or sharecropper;

2. Not of legal voting age, but supervises and conducts the farming operations on an entire farm; *and*

3. Eligible to participate in any applicable FSA program that is provided by law, regardless of funding status.

Discrimination Prohibited No person shall be denied the right to vote because of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital or family status.



Livestock Indemnity Program

The Livestock Indemnity Program (LIP) provides assistance to producers for livestock deaths that result from disaster. Using funds from the Agricultural Disaster Relief Trust Fund established under section 902 of the Trade Act of 1974, the program is administered by the USDA Farm Service Agency (FSA). LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to hail, winter storm, blizzards, wildfires, extreme heat and extreme cold. Eligible losses must have occurred on or after Jan. 1, 2008, and before Oct. 1, 2011.

For 2010 and subsequent years losses, livestock owners and contract growers that suffer a loss of livestock shall file:

- A notice of loss the earlier of the following dates:
 - 30 Calendar Days of when the loss of livestock is apparent to the participant
 - 30 calendar days after the end of the calendar year in which the loss of livestock occurred
 -
- For more information on available supplemental disaster assistance programs, please visit your FSA county office or <http://www.fsa.usda.gov>

Fallon & Lovelock FSA Offices
 111 Sheckler Rd.
 Fallon, NV 89406



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*Join us in our well wishes to **BOB BALDWIN** on his retirement. Bob worked for the F&A for the last 20 years. He will be missed by all! Thank you for everything! We are really going to miss you! Best wishes to you in your retirement!*



Selected Interest Rates - December 2010	
Farm Operating - Direct	1.750%
Farm Ownership - Direct	4.125%
Farm Ownership-Direct Down Pymt., Beginning Farmer or Rancher	1.500%
Conservation Loan	4.125%
Emergency	3.750%
Farm Storage Facility – 7 yr.	2.000%
Farm Storage Facility – 10 yr.	2.750%
Farm Storage Facility – 12 yr.	3.000%
Commodity Loans 1996-Present	1.250%

Dates to Remember	
Dec. 6	County Committee ballots due back to County Office
Dec. 8	Pershing County COC Meeting @ 1:30 PM Ballot Count @ 1:30 PM
Dec. 13	Fallon COC Meeting @ 10 AM ballot count @ 10:30 AM
Dec. 24	Christmas Holiday-Offices Closed
Dec. 31	New Years Eve – Offices Closed
June 1, 2011	DCP / ACRE Filing Deadline

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