



NEWSLETTER



February 2011

SURE – 2009 and Later

Fallon FSA Office Serving Churchill/ Washoe/Storey/NW Nye Counties

111 Sheckler Rd.
Fallon NV 89406
(775) 423-5124 phone
(775) 428-1335 fax
www.fsa.usda.gov/nv

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

County Committee
Michael (Mickey) Laca
Valerie Christoph
Robert L. James
Stan Ceresola
Ray Kretschmer

County Office Staff

Program Staff
Michele Wisniewski, CED
Imelda Andersen, PT

Farm Loan Staff
Daniel Ferraro, FLOT
Carly Brown, FLOT
Sandra L. Smith, PT
Carolyn Persinger, FLC
(775) 784-5411 x 110

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 producer 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 SURE final 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.

USDA Rural Development Offers Renewable Energy Workshop *Guaranteed Loans & Grants Available to Make Energy Efficiency Improvements*

Agricultural producers and rural small business owners interested in purchasing renewable energy systems or making energy efficiency improvements to their operations may be interested in a USDA Rural Development workshop scheduled for Feb. 17 in Fernley, Nevada. The Rural Energy for America Program (REAP) offered through the State Office of USDA Rural Development provides guaranteed loans and grants to assist with these energy system improvements.

The workshop will be held at the Fernley City Hall, 595 Silver Lace Boulevard, from 5 p. m. to 7 p. m. on **Thursday, February 17**. The free workshop will provide information about REAP and how to apply for funding. REAP funding through USDA Rural Development is authorized by the Food, Conservation and Energy Act of 2008. For more information, contact Rural Energy Coordinator, Mark Williams, at 775-887-1222, ext. 116 or mark.williams@nv.usda.gov.

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 2011 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>.

2011 DCP Signup

Enrollment for the 2011 Direct and Counter-cyclical Program (DCP) has begun and will continue through **June 1, 2011**. USDA urges producers to make use of the eDCP automated website to sign up, or producers can visit any USDA Service Center to complete their 2011 DCP contract.

USDA computes DCP Program payments using 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, eligible producers may request partial direct payments as an advance on the total amount.

Sorghum Checkoff Referendum Scheduled

USDA will conduct a referendum on the Sorghum Checkoff 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 or 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

The Conservation Loan (CL) Program provides farmers with the funding necessary to implement NRCS approved 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 your farm loan officer.

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>.

BCAP – Two Phases

There are two categories of assistance in the Biomass Crop Assistance Program (BCAP). The first category provides

financial assistance to producers or entities that deliver eligible biomass material to approved biomass conversion facilities (BCF) for use as heat, power, bio-based products or bio-fuels. Initial assistance will be for the collection, harvest, storage and transportation (CHST) costs associated with the delivery of eligible materials.

Producers who harvest, transport and store these materials can apply for FSA matching payments under the CHST. An application must be submitted before the eligible material is sold and delivered to a BCF. After the product is delivered, a producer must provide FSA with documentation of product quantity, quality and payment rate. County offices will validate payment requests with information in the county office.

In the second category of BCAP, incentives are provided to producers who enter into contracts with the Commodity Credit Corporation (CCC) to produce eligible biomass crops on contract acres within BCAP project areas. For this phase, Project Area Proposals are required and must be submitted to FSA for review and approval. For more information, visit www.fsa.usda.gov/bcap.

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 ranch, direct and guaranteed loans are currently available.

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

Farm Ownership loans or Farm Operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,119,000. Producers are encouraged to apply early so that a loan can be processed and funded in a timely manner.

FSA employees will help you complete the necessary application and other forms, and help you understand what information is required, where to find it or who to contact to get it. To find out more about FSA loan programs, contact the county office staff.

Fallon FSA Office
 111 Shekler Road
 Fallon NV 89406



PRESORTED STANDARD
 U.S. POSTAGE PAID
 Davis CA
 PERMIT # 22

Selected Interest Rates for February 2011	
90-Day Treasury Bill	0.125%
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%
Farm Storage Facility – 7 Year	2.750%
Farm Storage Facility – 10 Year	3.375%
Farm Storage Facility – 12 Year	3.625%
Commodity Loans 1996-Present	1.250%

Dates to Remember	
Feb. 21	Presidents' Day – office closed
June 1	DCP/ACRE Filing Deadline
June 15	Acreage Report Deadline for small grains
July 15	Acreage Report Deadline for all other crops
July 29	Deadline to sign-up for 2009 SURE Program