



**FEBRUARY 2010**

# ***ELKO/EUREKA COUNTY***

## ***FSA News***

**USDA**  
**Elko/Eureka County**  
**USDA Service Center**

**Elko/Eureka County FSA**  
555 W Silver St. Ste 101  
Elko NV 89801  
(775)738-6445 ext. 2  
(774)778-9712 (fax)

[www.fsa.usda.gov/nv](http://www.fsa.usda.gov/nv)

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

**County Committee**  
Steve Wines, Chair  
Mark Damele, Vice Chair  
Patsy Tomera, Member  
Mitch Heguy, Member  
Clayton Cota, Member

**County Committee will meet at 1:30 pm in the Conference Room at the Service Center on Monday, February 8, 2010**

**Elko Eureka County Committee normally meets on the second Monday of each month. On an as needed basis.**

**Staff**  
Clayre Moiola, CED  
Micki Wines, FLO  
Maria Murillo, PT  
Claire Neumann, COT

**Ely Staff**  
Vi Braden, PT

### **SURE**

Currently SURE Program sign ups are being taken for the 2008 Crop Year. The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disaster that incurred starting in the crop year 2008 through September 30, 2011. To be eligible for SURE payments, a producer is required to obtain crop insurance on all crops of economic significance in all counties or, if crop insurance is not available, to participate in the Non-Insured Assistance Program (NAP) except for grazed acreage.

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 are the conditions that trigger SURE payments:

- At least one crop of economic significance must suffer a 10% production loss due to an eligible disaster condition
- The crop of economic significance must be 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
- The farm experiencing the loss must be in a county declared a disaster county by the Secretary of Agriculture, or in contiguous counties. Those who show proof of an individual loss of at least 50% are also eligible to receive SURE payments for production losses 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.

A SURE calculator is available at:

[http://www.fsa.usda.gov/Internet/FSA\\_File/sure\\_calculator\\_2008.xls](http://www.fsa.usda.gov/Internet/FSA_File/sure_calculator_2008.xls). The calculator is not official, but is intended for educational use. A fact sheet and Q & A are also available online at [www.fsa.usda.gov](http://www.fsa.usda.gov).

### **2010 DCP Signup**

Enrollment for the 2010 Direct and Counter-cyclical Program (DCP) has begun and will continue through June 1, 2010. 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 2010 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 2010, eligible producers may request advance direct payments based on 22 percent of the direct payment.

### **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 will be required from each producer or payment recipient for the IRS review process. 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 to avoid interruption of program benefits. These forms may be obtained from local FSA and NRCS offices or online at:

<http://forms.sc.egov.usda.gov/eforms/mainser>

## 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 the FSA.

Every stockholder or member of a legal entity, such as a corporation, does not have to contribute labor or management if 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 that altogether qualifies as a significant contribution to the farming operation;
- The total direct payments received, both directly and indirectly, by the legal entity and each of the members can not exceed \$40,000.



## 1099-G: Note Changes

Producers who have received payments in 2009 from FSA should have received a CCC-1099-G. A CCC-1099-G is a report to the Internal Revenue Service about FSA payments made to producers during the previous calendar year. The CCC-1099-G is to help participating producers report taxable income. It is not intended to replace the program participant's responsibility to report income to the IRS.

When the CCC-1099-G is received, it should be checked with your records to see that the amounts are correct. Refunds will no longer be 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 questions concerning the 1099-G refund information, contact your local FSA office for assistance locating the correct payment data.

## Farm Loan Programs

The FSA offers loans for eligible farmers and ranchers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for

financing through a commercial lender. In other instances, borrowers might have suffered setbacks from natural disasters or might be persons with limited resources.

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 \$1,112,000. Emergency loans are always direct loans for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth Loans, Loans to Beginning Farmers and loans for socially disadvantaged applicants are also available.

For details please contact the county office staff for an appointment with a farm loan officer.

## Loans for the Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of 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 the group without regard to his or her individual qualities.

For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders.

If producers or their spouses believe they would qualify as socially disadvantaged, they should contact their local FSA office for details. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

## Farm Storage Facility Loan Program

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) Farm Storage Facility Loan Program (FSFL) provides low-interest financing for producers to build or upgrade farm storage and handling facilities. The FSA is author-

ized to implement the program through USDA's Commodity Credit Corporation (CCC).

The following are some of the commodities eligible for farm storage facility loans:

- Hay (alfalfa and grass hay)

An FSA farm storage facility loan must be approved by the local FSA county committee before any site preparation and/or construction can be started.

An eligible borrower is any person who is a landowner, landlord, leaseholder, tenant or share-cropper who:

- Produces an eligible facility loan commodity.
- Has a satisfactory credit rating as determined by CCC.
- Demonstrates the ability to repay the debt for the facility loan.
- Possesses no delinquent non-tax federal debt.
- Demonstrates a storage need based on the borrower's three-year-average acreage and share of production, minus any current storage available.
- Provides proof of multi-peril crop insurance from the Federal Crop Insurance Corporation (FCIC) or a private company for the life of the loan.
- Provides proof of all peril insurance and, if applicable, flood insurance with CCC as a loss payee.
- Demonstrates compliance with USDA provisions for highly erodible land and wetlands.
- Demonstrates compliance with the National Environmental Policy Act.
- Demonstrates compliance with any applicable local zoning, land use, and building codes.
- Has not been convicted of a controlled substance violation.

For more information on this program please contact your local FSA County Office

## NRCS Conservation Stewardship Program

If you haven't seen the news releases recently, there are new programs becoming available through NRCS. The new and improved Conservation Stewardship Program (CSP) is available now for funding in FY2010 (although applications can be accepted all year). CSP is geared for those agricultural producers that have made considerable

progress in addressing at least one resource concern for soil, water, air, plants, animals or energy on their farm or ranch operations on all land uses (crop/hay, range, pasture, and non-industrial private forest lands), but are willing and able to address additional resource concerns to make their operation top-notch (there's always room for improvement!). Ranking for CSP is based on the number of points received for the resource concerns addressed through activities or enhancements times the number of acres enrolled in each land use. For example, if a producer has 100 acres of hay, 200 acres of pasture and 500 acres of range, and is already addressing irrigation efficiency on hay, pest management (weeds) on pasture and grazing on range, and is willing to address another resource concern such as energy (e.g. installing energy efficient pumps or recycling oil), water quality (e.g. widening filter strips from 20 ft to 60 ft or planting buffers), and/or plants (e.g. setting up and monitoring key areas for grazing or controlling livestock access in riparian areas), and received 500 pts for hay, 700 pts for pasture and 600 pts for range, they could possibly receive \$11,231.00 for each year of the contract (payment rates per point are \$.0605 for crop/hay; \$.0329 for pasture; and \$.0120 for range). The amount of acres enrolled and the type and amount of enhancements a producer is willing to do will determine the points and amount of CSP funds in a contract, up to \$40,000 per year (\$200,000 for a 5 year contract). Non-industrial private forest lands are accepted on a separate application, and are paid at a rate of \$.0164 per point. Contact your local NRCS office for more information on eligibility requirements and actual points and payment rates for your CSP application.

NRCS is also currently accepting applications from agricultural producers interested in installing high tunnels, which are structures designed to extend growing seasons for local crops or assisting producers to transition to specialty crops in areas that might not otherwise be suitable. Other programs that will be coming shortly are initiatives for Organic Farming and Sage Grouse Habitat – so stay tuned for more news releases! Contact your local NRCS office for these and other financial assistance programs such as EQIP, WHIP and AMA.





<b>Dates to Remember</b>	
Jan. 4, 2010	SURE Signup opens
Feb. 15, 2010	Office Closed for President Day Holiday
Feb. 8, 2010	Elko/Eureka COC meeting
June 1, 2010	Last Day to sign up for DCP
June 15, 2010	All grain crops must be reported
July 15, 2010	All other crops must be reported – this includes grazing

<b>Selected Interest Rates for January 2010</b>	
90-Day Treasury Bill	.125%
Farm Operating Loans — Direct	2.875%
Farm Ownership Loans — Direct	4.750%
Farm Ownership Loans — Down Payment	1.500%
Emergency Loans	3.750%
Farm Storage Facility Loans – 7 year term	2.875%
Farm Storage Facility Loans – 10 year term	3.375%
Farm Storage Facility Loans – 12 year term	3.750%
Commodity Loans 1996-Present	1.375%

The United States Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance programs. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202)-720-6382 (TDD). USDA is an equal opportunity provider and employer."