



February 2010

Atlantic/ Cape May/ Cumberland County News

USDA Service Center

**Atlantic/ Cape May/
Cumberland County FSA**
1317 S. Main Rd. Bldg. 3
Vineland, NJ 08360
856-205-1225 (phone)
856-205-0691 (fax)

Hours

Monday - Friday
8:00 a.m. - 4:30 p.m.

County Committee

Anthony Melora
Florence Ale
Sue Wheeler
David T. Sheppard Jr.
Charles Muzzarelli Sr.

County Committee meets
2nd Wednesday of month

County Staff

Angela J. Andreoli, CED
Robert R. Maxwell, FLM
Toni Brooks, FLO
Ellen Schmidt, FLO
Lori Tobin, PT
Lorna Hofstetter, PT
Dawn Freeman, PT
Ashlea Visconti, FLOT



January 29, 2010

SURE Signup

Signup for the 2008 Supplemental Revenue Assistance Payments program (SURE) began on January 4, 2010. SURE 2008 is for those who suffered crop production losses during crop year 2008.

SURE provides crop disaster assistance payments to eligible producers on farms that have incurred crop production or crop quality losses. The program takes into consideration crop losses on all crops grown by a producer nationwide. SURE provides assistance in an amount equal to 60 percent of the difference between the SURE farm guarantee and total farm revenue. The farm guarantee is based on the amount of crop insurance and Non-insured Crop Disaster Assistance Program (NAP) coverage on the farm. Total farm revenue takes into account the actual value of production on the farm as well as insurance indemnities and certain farm program payments.

Producers with a farming interest physically located in a county that was declared a primary disaster county or contiguous county by the Agriculture Secretary must have suffered at least a 10 percent production loss on a crop of economic significance. Producers must meet the risk management purchase requirement by either obtaining a policy or plan of insurance, under the Federal Crop Insurance Act or NAP coverage, for all economically significant crops. For 2008 crops, producers had the opportunity to obtain a waiver of the risk management purchase requirement through a buy-in provision. Producers considered socially disadvantaged, a beginning farmer or rancher, or a limited resource farmer may be eligible for SURE without a policy or plan of insurance or NAP coverage.

If there is no Secretarial Disaster Designation, individual producers may also be eligible for SURE if the actual production on the farm is less than 50 percent of the normal production on the farm due to a natural disaster. For SURE, a farm is defined as all crops in which a producer had an interest nationwide.

For more information on the new SURE program, please visit the county office or <http://www.fsa.usda.gov>.

2010 DCP Signup Continues

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.

ACRE

The Average Crop Revenue Election Program (ACRE) provides a safety net based on state revenue losses and acts in place of the price-based safety net of counter-cyclical payments under DCP. A farm's payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year national price for each eligible commodity. For 2010, the 2-year price average will be based on the 2008 and 2009 crop years. The decision to enroll in the ACRE Program is irrevocable. The owner of the farm and all producers on the farm must agree to enroll in ACRE. Once enrolled, the farm shall be enrolled for that initial crop year and will remain in ACRE through the 2012 crop year.

The June 1, 2010, deadline is mandatory for all participants. USDA will not accept any late-filed applications.

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.



Normally the stockholder or a member of a legal entity **must** make contributions of active personal labor and/or active personal management for the farming operation. The contributions are to be performed on regular basis, must be identifiable, and separate from the contributions of others.

The exception to this rule for a stockholder or member of a legal entity only occurs 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; and
- The total direct payments received, both directly and indirectly, by the legal entity and each of the members can not exceed \$40,000.

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 tax 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/mainservlet>.

BCAP

The Biomass Crop Assistance Program (BCAP) 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 sell 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.

1099-G

Producers who have received payments 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.

NAP Coverage Continues

Noninsured Crop Disaster Assistance Program (NAP) coverage rolls over from one year to the next as long as you pay the service fee by the subsequent year's closing date. NAP costs \$250/crop, not to exceed \$750/county and \$1875 for multi-county producers. For the 2010 crop year, producers interested in adding or deleting NAP crops or changing producer shares on a NAP contract need to act before the crop's application closing date.

The next closing date is March 15, 2010. The crops that are covered in the next closing are as follows: **Beans, Brussel Sprouts, Cantaloupe, Celery, Corn, Cucumbers, Eggplant, Honeydew, Oats, Okra, Peppers, Pumpkins, Sorghum, Sorg-**

hum forage, Soybeans, Squash, Sunflower, Sweet Potatoes, Tomatillos, Tomatoes, Watermelon, and Yams.

Some of these crops may actually be covered by independent crop insurance agents and this will vary by county. Contact your local FSA office to see which crops are covered by NAP.

Reminder: Production from all sources is required to be submitted each year for NAP. This information is used to calculate your yield. Please contact the office if you have any questions.

***IMPORTANT* Future Disaster programs require NAP coverage and/or Crop Insurance coverage on economically significant crops grown by your operation. An “economically significant crop” means any crop that is contributed, or is expected to contribute 5% or more of the total expected value of all crops grown by the producer.**

Non-Insured Disaster Assistance Program (NAP)

In preparing for the upcoming season here are a few reminders if you participate in NAP.

- An eligible producer is a landowner, tenant or sharecropper who shares in the risk of producing an eligible crop. The annual gross revenue of the eligible producer, and any individual or entity combined as one "person" with the eligible producer, cannot exceed \$2 million.
- To be eligible for NAP assistance, crops must be noninsurable crops and agricultural commodities for which the catastrophic risk protection level of crop insurance is not available, and must be any of the following commercially produced crops:
 - *crops grown for food;*
 - *crops planted and grown for livestock consumption, including, but not limited to, grain and forage crops, including native forage;*
 - *crops grown for fiber, such as cotton and flax (except for trees);*
 - *crops grown under a controlled environment, such as mushrooms and floriculture;*
 - *specialty crops, such as honey and maple sap;*
 - *value loss crops, such as aquaculture, Christmas trees, ginseng, ornamental nursery and turf grass sod;*
 - *sea oats and sea grass; and*
 - *seed crops where the propagation stock is produced for sale as seed stock for other eligible NAP crop production.*
- A complete crop report of all acres, crops and plantings must be reported to the county FSA office by the final reporting deadline.
- Late filed crop reports will be accepted with a minimum \$46 per farm fee.
- Previous year's production from all sources is required to be filed each year to establish your Actual Production History (APH). Failure to do so will result in a reduction of benefits.
- When weather related loss occurs, you must file a CCC-576 "Notice of Loss" in the county office **within 15 Calendar days** from when damage to the crop is apparent. A telephone call reporting the loss is not sufficient to cover the above requirement. The above mentioned form must be completed, signed and in the county office within the 15 days.
- There must be a 50% loss on the entire crop, not just a field.
- Crops with losses should not be destroyed until additional instructions are received from the FSA office.
- The Operation must be in compliance with Highly Erodible Land and Wetland Conservation Provisions.
- No NAP payment will be issued to any "person" who has qualifying gross revenue in excess of \$2 million for the most recent tax year preceding the year for which assistance is requested.
- Appraisal can be completed, for a fee, in order for those that can not provide reliable or verifiable production records. Appraisals are good to use if you have a farm market or a "you pick it" operation where actual production records are not kept.

Please call the office if you have any questions on



this program.

NAP Production Reporting

Production records for individual crops need to be filed with our office to establish an approved NAP yield. If this is the first year you participated in NAP, you can provide production and acreage information from prior years to establish your yield. If you participated in NAP in previous years, you must report your production and acreage on a yearly basis to keep your yield up-to-date. Records submitted must be reliable and verifiable. Records need to show crop disposition. We recommend producers submit 2009 production records as soon as harvest is complete. ***All production records must be submitted by the subsequent crop year's final acreage reporting date, which is July 15th.***

****Reminder small grain reporting is going on now. Deadline is May 31, 2010****

Dates to Remember	
Feb 15	Office Closed- Washington's Birthday
March 15	NAP deadline for the following crops: Beans, Brussel Sprouts, Cantaloupe, Celery, Corn, Cucumbers, Eggplant, Honeydew, Oats, Okra, Peppers, Pumpkins, Sorghum, Sorghum forage, Soybeans, Squash, Sunflower, Sweet Potatoes, Tomatillos, Tomatoes, Watermelon, and Yams.
May 31	Reporting deadline for small grains
May 31	Office Closed- Memorial Day
June 1	DCP signup deadline
July 15	Reporting deadline for all crops except small grains
July 15	Last day to report prior years production for 2010 APH
Continuing	Sign up under Continuous Sign Up (CRP) programs

Visit our Web site at
<http://www.fsa.usda.gov/nj>

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 program. (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 Adjudication and Compliance, 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.