



NEWSLETTER



FARM SERVICE AGENCY (FSA)

February 4, 2011

U.S. Department of Agriculture (USDA)

Hunterdon Somerset County FSA

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Hours

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

Office Staff:

Doreen Beruck-County Executive Director
Elizabeth Banko-Program Technician
Laura LaFevre-Program Technician
Marilyn Barnes-Program Technician (Temp)

County Committee:

Frank Hahola-Chair
Robert Fulper II-Vice Chair
John Yablonosky-member
Gerald Lyness-member
Cynthia Niciecki-minority advisor

The Hunterdon Somerset County Committee meets the third (3rd) Thursday of the month at 8:30 AM.

The official newspapers are the Hunterdon Democrat and the Courier.

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Reminder!! This office will be closed on Monday, February 21, 2011, in observance of President's Day.

SORGHUM CHECKOFF REFERENDUM



The U.S. Department of Agriculture is conducting a referendum on the continuation of the Sorghum Check off Program. For the program to continue, the Sorghum Promotion, Research, and Information Order requires that a referendum be conducted no later than three (3) years after the start of assessments, which began on July 1, 2008. Sorghum Check off is a national, coordinated, self help marketing program designed to strengthen the position of sorghum in the marketplace, maintain and expand existing domestic and foreign markets and uses for sorghum, and develop new markets and uses for sorghum.

USDA will conduct the referendum from February 1st through 28th, 2011, at the local FSA office, for producers, and the Agricultural Marketing Service (AMS) office, for importers. Ballots may be obtained in person, by mail, or facsimile, 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 through 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.

2010 INCOME DOCUMENTATION



Producers who 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 a service to help participating producers report taxable income. It is not intended to replace the program participant's responsibility to report income to 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 CCC-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 any questions concerning the 1099-G refund information, please contact the office.

EMERGENCY LOANS

FSA Emergency Loans are available for losses caused by drought and excessive heat from June 1, 2010 through September 30, 2010. Hunterdon, Somerset, and Union Counties are included in the eligible area. Please contact Ginny Brophy in the Hackettstown FSA office at (908) 852-2576 extension 110 for more information. Applications will be accepted until July 22, 2011.

SURE SIGNUP

Sign up for the 2009 Supplemental Revenue Assistance Payments (SURE) program began on January 10, 2011. SURE 2009 is for producers who suffered crop production losses during the 2009 crop year.

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 sixty (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 ten (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. 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 fifty (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 contact the office.

DIRECT AND COUNTER CYCLICAL PROGRAM (DCP)



Signup for the 2011 DCP contracts ends June 1, 2011.

FSA computes DCP 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. Counter cyclical payment rates vary depending on the market price and are issued only when the effective price for a commodity is statutorily set below the target price.

Producers eligible for DCP are also able to enroll in the Average Crop Revenue Election (ACRE) program or the Direct Counter Cyclical Program. If you have any questions or would like to sign up for 2011, please contact the office to schedule your appointment.

AVERAGE CROP REVENUE ELECTION (ACRE)

ACRE is a new program authorized by the 2008 Farm Bill. ACRE sign-up continues until June 1, 2011. The ACRE alternative provides eligible producers a state level revenue guarantee, based on the five (5) year state Olympic acreage yield and the two (2) year national average price.

Producers who elect ACRE program for a farm agree to: forgo counter cyclical payments; accept a twenty (20) percent reduction of direct payments; and accept a thirty (30) percent reduction in loan rates for all commodities on the farm.

Commodities eligible for ACRE payments are wheat, corn, grain sorghum, barley, oats, soybeans, and sunflower seed.

ACRE was created to give producers an option in lieu of traditional counter cyclical payments. Producers may elect and enroll in ACRE for the 2011 crop year even if they have already enrolled in DCP for 2011. A decision to elect ACRE binds the producer to the program through the 2012 crop year.

For more information, please contact the office

ACTIVELY ENGAGED IN FARMING

USDA has amended the rules that govern the requirements to be “actively engaged” in farming. These rules apply to eligibility for payments under the DCP or ACRE program administered by 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 a 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 cannot exceed \$40,000.

PAYMENT ELIGIBILITY

Payments and benefits under certain programs are subject to some if not all of the following: payment limitation by direct attribution; payment limitation amounts for the applicable program; actively engaged in farming requirements; cash rent tenant rule; foreign person rule; and average adjusted gross income limitations. Payments and benefits will not be provided without all required forms for the specific situation being provided and the necessary determinations are made.

After 2009, a farm operating plan (CCC-902) is not required to be filed annually, if the farming operation continues to be conducted as reflected on the farm operating plan and supporting documents are on file in the office. If any changes occur that could affect an actively engaged in farming, cash rent tenant, foreign person, or average adjusted gross income determinations; producers must timely notify the office by filing a revised farm operating plan and/ or supporting documentation, as applicable. Average adjusted gross income certifications are to be completed yearly. Failure to timely notify the office, may adversely affect payment eligibility. Payment eligibility and payment limitation determinations may be initiated by the county committee or requested by the producer.

There are statutory provisions that require entities, earning program benefits that are subject to limitations, to provide the names, addresses, and tax identification number of the entities’ members to the county committee.

All applicable payment eligibility and payment limitation forms submitted by producers are subject to spot check through the end of year review process.

A determination of not actively engaged in farming results in the producer being ineligible for any payment or benefit requiring a determination of actively engaged in farming.

Noncompliance with adjusted gross income provisions, either by exceeding the applicable limitation or by failure to submit a certification statement, will result in the determination of ineligibility for all program benefits subject to adjusted gross income certifications. Program benefits shall be reduced in an amount that is commensurate with the direct and indirect interest held by an ineligible person or legal entity, general partnership, or joint operation, that receives benefits subject to the average adjusted gross income limitation.

Program Payment Type	Limitation (in Dollars)
Commodity Programs	
Counter Cyclical and ACRE payments 1/	\$65,000
Direct payments 2/	\$40,000
Conservation Programs	
CRP annual rental payment	\$50,000
CSTP (all contracts for FY 2009-2012)	\$200,000
EQIP (all contracts for FY 2009-2012)	\$300,000
GRP	\$50,000
WHIP	\$50,000
WRP	\$50,000
Disaster Assistance Programs	
ELAP, LFP, LIP, and SURE	\$100,000
NAP	\$100,000
TAP	100,000
Price Support	
LDP, MAL, and MLG	No limits

1/ Under ACRE, this amount will be a combined limitation for counter cyclical and ACRE payments.

2/ If the person or legal entity has a direct or indirect interest in payments earned on a farm that is in ACRE, this limitation will reflect a twenty (20) percent reduction in direct payments on each farm that is participating in ACRE.

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DATES TO REMEMBER

February 28, 2011—final date to cast your ballot for the Sorghum Check off Program Referendum

March 14, 2011—general CRP sign-up begins

March 15, 2011—NAP sales closing date for 2011 beans, brussel sprouts, cantaloupe, celery, cucumbers, eggplant, honeydew, peppers, pumpkins, sorghum, squash, sunflowers, sweet potatoes, tomatoes, watermelon, yams

March 31, 2011—last day to request a 2010 small grain marketing assistance loan or loan deficiency program (LDP) payment

May 31, 2011—last day to report your 2011 small grains (wheat, oats, rye, barley)

June 1, 2011—last day to sign a 2011 DCP contract

Continues: Sign up for continuous CRP, CREP, SAFE, farm storage facility loans

ENVIRONMENTAL QUALITY INCENTIVES PROGRAM (EQIP)

NEW JERSEY ORGANIC INITIATIVE

Organic Operations may sign up for the EQIP/ Organic Program through March 4, 2011. Producers should sign-up to implement needed conservation practices not related to organic certification, such as irrigation improvements, erosion control mitigation, and management of animal wastes.

The Natural Resources Conservation Service (NRCS) offers financial assistance under a special annual Organic Initiative for conservation practices needed to obtain or maintain organic certification. National Organic Program (NOP) certified organic producers, as well as producers in the process of transitioning to organic production, are eligible to apply under the special initiative each year. Under this initiative, a producer's Organic System Plan may include aiding pollinator populations, increasing biodiversity, protecting land from chemical drift or invasive species, enhancing water quality or another resource enhancing goal. Practices that are linked to one of these resource concerns may be eligible for a conservation payment.

Farmers who want to apply for financial assistance may receive up to \$20,000/ year and are limited to \$80,000 over a six (6) year period. Payments are not authorized to activities or practice components which are solely production related and are not linked to an identified resource concern. Payments may not be used for any costs related to organic certification. Producers must meet basic program eligibility guidelines to be eligible to apply. Application forms are available on-line at www.nj.nrcs.usda.gov/programs/eqip or at the local USDA Service Center or call (908) 782-4614 extension 3 for assistance.

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To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer."