



NEWSLETTER



U.S. Department of Agriculture

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 Drake-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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FARM SERVICE AGENCY

February 24, 2011

ASPARAGUS REVENUE MARKET LOSS ASSISTANCE PAYMENTS (ALAP)



ALAP sign-up will end on April 8, 2011. ALAP provides direct payments to asparagus producers for revenue losses as a result of crop year 2004 through 2007 imports. Producers who have produced and marketed asparagus in commercial quantities in the U.S. during both the 2003 and 2007 crop years may apply.

Eligible producers will receive payments based upon their 2003 asparagus production. You will certify to your total share of production quantities of fresh and/ or processed asparagus from the 2003 crop. However, you may be asked to provide verifiable or reliable production evidence, if selected for spot check. Payment rates are \$1.06 per pound for fresh asparagus and \$1.08 per pound for processed asparagus. For more information or to apply, please contact the office.

CONSERVATION RESERVE PROGRAM (CRP)

A general CRP sign-up begins on March 14, 2011 and will continue through April 15, 2011. During the signup period, farmers and ranchers may offer eligible land for CRP's competitive general signup at their county Farm Service Agency (FSA) office.

Land currently not enrolled in CRP may be offered in this signup provided all eligibility requirements are met. Additionally, current CRP participants with contracts expiring this fall may make new contract offers. Contracts awarded under this signup are scheduled to become effective Oct. 1, 2011.

FSA, which administers the CRP program, will evaluate and rank eligible CRP offers using an Environmental Benefits Index (EBI) that shows the environmental benefits to be gained from enrolling the land in CRP. The EBI consists of five environmental factors (wildlife, water, soil, air and enduring benefits) and cost. Decisions on the EBI cutoff will be made after the sign-up ends and after analyzing the EBI data of all the offers.

In addition to the general signup, CRP's continuous signup program will be ongoing. Continuous acres represent the most environmentally desirable and sensitive land. For more information or to apply, please contact the office.

FARM STORAGE FACILITY LOANS (FSFL)

FSFL allows producers of eligible commodities to obtain low interest financing to build or upgrade farm storage and handling facilities. The new maximum principal amount of a loan through FSFL is \$500,000. Commodity Credit Corporation (CCC) provides a loan for up to eighty five (85) percent of the net cost of the eligible storage facility and permanent drying and handling equipment. Loan terms of seven (7), ten (10), or twelve (12) years are available depending on the amount of the loan. Eligible commodities include: corn, grain sorghum, soybeans, oats, wheat, or barley harvested as whole grain; corn, grain sorghum, wheat, oats, or barley harvested as other than whole grain; hay; renewable biomass; fruits including nuts and vegetables. For more information or an application, please contact the office.

CONSERVATION LOAN PROGRAM (CL)

Farm Service Agency (FSA) makes and guarantees conservation loans on farms and ranches to help conserve our natural resources. The Conservation Loan (CL) Program provides farmers with the credit necessary to implement conservation measures on their land.

The direct CL's loan limit is \$300,000 and guaranteed CL's up to \$1,112,000 (amount adjusted for inflation), may be available by applying with lenders working with FSA to obtain a guarantee.

Applicants work with the Natural Resources Conservation Service (NRCS) staff to develop a conservation plan. Conservation practices must be approved by NRCS before FSA can provide financing. Examples of conservation practices include installation of conservation structures; establishment of forest cover; installation of water conservation measures; establishment or improvement of permanent pastures; transitioning to organic production; manure management; including manure digestion systems, etc.

For more information, please contact the office.

FARM LOAN PROGRAM

FSA 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.

Ask your lender about an FSA loan guarantee, if you have 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 find more about FSA loans, please contact Virginia Brophy at (908) 852-2576 extension 110.

FARM RECORD CHANGES

Are you acquiring new parcels for the 2011 crop year or have the owners changed on your current parcels? **Verification proving you are the operator for 2011 may be needed for newly acquired parcels.**

Documentation may include a written lease, rental agreement, or other document signed by the owner. Documentation needs to identify whether or not the owner shares in the risk of producing the crop and is entitled to share in the crop available for marketing from the farm or would share if the crop is produced; producer's name; owner's name and address; crop year; and farm and tract. **Reminder: Proof of ownership must be provided when owners have changed.** Documentation may include a copy of the deed; unrecorded deed; land contract; real estate tax statement; or township, block and lot identification.

If you are no longer farming a parcel, a reconstitution may need to be completed. Please notify the county office to update your records today.

ACREAGE REPORTING

 Filing an accurate, timely acreage report for all crops and land uses, including failed acres and prevented planting, is helpful in avoiding a loss of benefits. **The deadline to report small grains (wheat, oats, rye, barley) is May 31, 2011. To be considered timely filed, failed acreage must be reported before disposition of the crop.** If you have NAP coverage, the final date to report a specific crop is the earlier of the established reporting date or fifteen (15) calendar days before the onset of harvest or grazing of the specific crop acreage being reported. **Farms participating in DCP and those requesting LDP's (loan deficiency program payments) and marketing assistance loans are required to report all cropland on the farm to be eligible for benefits. Please contact the office to schedule an appointment or for more information.**

**NON-INSURED CROP DISASTER
ASSISTANCE PROGRAM (NAP)
COVERAGE**



NAP was designed to reduce financial losses that occur when natural disasters cause a catastrophic loss of production or prevented planting of an eligible crop by providing coverage equivalent to catastrophic (CAT) insurance. Statute limits NAP to each commercial crop or agriculture commodity, except livestock, for which CAT is not available.

The final application deadline for 2011 NAP coverage is **March 15, 2011** for beans, cabbage, cantaloupe, cauliflower, cucumbers, eggplant, honeydew, okra, oats, peppers, sorghum (for Somerset County), squash, sunflowers, sweet potatoes, tomatillos, tomatoes, watermelons, and yams. NAP coverage for 2012 nursery is May 1, 2012.

Producers with NAP coverage must remember to complete the following to qualify for benefits: 1) Timely file acreage reports; 2) keep track of harvested production using applicable methods. For example, bale weights or other means of determining quantities of hay are required; 3) file a "Notice of Loss" within fifteen (15) calendar days of when a loss is apparent, due to drought, hail, etc.

For more information on NAP coverage, please contact the FSA office.

SURE SIGNUP

Sign up for the 2009 Supplemental Revenue Assistance Payments (SURE) program continues until July 29, 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**

Signup for the 2011 Direct and Counter Cyclical Program (DCP) payments ends June 1, 2011. FSA will not accept any late filed applications.

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.

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DATES TO REMEMBER

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 commodity loan for wheat, oats, or barley

April 8, 2011—last day to submit an application for ALAP

April 15, 2011—last day to make an offer for general CRP sign-up

May 1, 2011—NAP sales closing date for 2012 nursery

May 31, 2011—last day to report your 2011 small grains (wheat, oats, barley, rye) and last day to request a 2011 commodity loan for corn, soybeans, or sorghum

June 1, 2011—last day to file your 2011 DCP contracts

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

ADJUSTED GROSS INCOME (AGI)



USDA has a Memorandum of Understanding with the Internal Revenue Service to establish an electronic information exchange process for verifying compliance with the AGI provisions for farm programs, both FSA and NRCS 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 non-farm average AGI for commodity and disaster programs; \$750,000 farm average AGI for DCP direct payments; and \$1 million non-farm average AGI for conservation programs.

Participants in Commodity Credit Corporation (CCC) programs who are subject to average AGI rules must submit a CCC-927 (for individuals) and/ or CCC-928 (for Legal Entities) to the Internal Revenue Service to avoid an interruption in program benefits. Forms are NOT to be mailed to the FSA office. These forms may be obtained from the FSA or NRCS office or online at <http://forms.sc.egov.usda.gov/eforms/mainservlet>.

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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."