



Lorain County News

May 2009

Lorain County
USDA Service Center

Lorain County FSA
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www.fsa.usda.gov/oh

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

County Committee
Neil Breyley
Kathy Duplaga
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County Committee
meets 2nd Tuesday each month

Staff
Theresa Johnson, CED
Becky McDonnell, PT
Jessika Fye, PT
Kathy Frombaugh, PT
Penny Gregory, PT



Disaster Buy-In Waiver Extension

Producers who suffered crop losses in the 2008 crop year now have an additional opportunity to buy eligibility for FSA disaster assistance. Producers now have **until May 18, 2009** to pay a buy-in fee to become eligible for the Supplemental Revenue Assistance Program (SURE), Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish (ELAP), and the Tree Assistance Program (TAP).

The buy-in is for producers who did not previously obtain statutorily required crop insurance from the Federal Crop Insurance Corporation (FCIC) or Non-insured Crop Disaster Assistance Program (NAP) coverage for 2008. The buy-in fee **does not provide** producers with crop insurance or NAP for the 2008 crop year; it only allows eligibility for the 2008- above listed crop disaster assistance programs.

Producers who have not already taken the necessary steps to become eligible for the Supplemental Revenue Assistance Program (SURE), Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish (ELAP), and the Tree Assistance Program (TAP) may now become eligible for such programs by completing the following steps **by May 18, 2009**:

- Paying a \$100 buy-in fee per crop. The maximum fee for insurable or non-insurable crops is \$300 per county, per producer, not to exceed \$900 for multi-county producers.
- In the case of each insurable crop (those for which insurance is available from FCIC), excluding grazing land, agreeing to obtain a policy or plan of insurance for the next insurance year for which crop insurance is available; coverage level should equal 70 percent or more of the yield at 100 percent of the price.
- In the case of each non-insurable crop, agreeing to file the required paperwork and pay the applicable administrative NAP coverage fee by the applicable state application closing date for the next available year.

Producers who purchased insurance coverage in 2009 at or above 70/100 coverage level for a buy-in crop will be considered as having met the linkage requirement. Producers who purchased insurance coverage below the 70/100 coverage level will be

required to purchase at least the 70/100 coverage level for a buy-in crop in the next available year. Producers who purchased NAP coverage for 2009 for a buy-in crop will be considered as having met the linkage requirement.

Producers who meet the definition of "Socially Disadvantaged, Limited Resource," or "Beginning Farmer or Rancher," have the possibility of the buy-in fee waived, after filing an application at their local FSA office. An eligible producer on a farm may also elect to waive the Risk Management Purchase Requirement on a crop that is **not** economically significant. A crop must contribute less than 5 percent of the total expected revenue to be considered **not** economically significant.

A 2008 Crop Year Buy-in for Disaster Assistance Programs factsheet is available at:
http://www.fsa.usda.gov/Internet/FSA_File/buyinwaiver08.pdf

MILC Payments on Their Way to Dairy Farmers

As a result of low dairy prices, MILC payments are being distributed to ensure that dairy producers have the financial assistance they need. Beginning April 1, producers participating in USDA's Milk Income Loss Contract (MILC) program will begin to receive payments for the month of February. USDA makes MILC payments on a monthly basis when the Boston Class I milk price falls below \$16.94 per hundredweight as adjusted for feed costs.

USDA determines the per hundredweight payment rate for the applicable month by subtracting the Boston Class I price for that month from the \$16.94 MILC payment trigger price, established in the 2008 Farm Bill, as adjusted for feed costs, and multiplying the difference by 45 percent. The monthly Boston Class I price along with final MILC payment rates are posted online at:
<http://www.fsa.usda.gov/FSA>.

The MILC payment trigger price of \$16.94 is adjusted upward when the National Average Dairy Feed Ration Cost for a month is greater than \$7.35 per cwt. USDA's National Agricultural Statistics Service recently released the data for determining the Average Dairy Feed Ration Cost for the month of February on March 30, 2009. Using this information and the formula contained in the 2008 Act,

the MILC payment trigger for the month of February has been adjusted to \$17.33, for a final MILC payment rate of **\$1.5132**.

For more information about the MILC program, please contact the FSA office or go online to:

<http://www.fsa.usda.gov/FSA>.

Deadline Extended For DCP and ACRE Programs

USDA has extended the sign-up deadline **from June 1, to Aug. 14, 2009**, for both the Direct and Counter-cyclical Program (DCP) and the forthcoming Average Crop Revenue Election (ACRE) Program. This action extends the sign-up deadline by 10 weeks to give producers ample time to decide whether to participate in ACRE or in DCP.

Sign-up for ACRE is expected to start April 27th, with an official sign-up announcement to be made in the coming weeks. Producers can elect ACRE at their local FSA office after the sign-up period begins.

The ACRE program, authorized by the 2008 Farm Bill, provides eligible producers a state-level revenue guarantee, based on the 5-year state Olympic average yield and the 2-year national average price. ACRE payments are made when both state and farm-level triggers are met. By participating in ACRE, producers elect to forgo counter-cyclical payments, agrees to a 20-percent reduction in direct payments and a 30-percent reduction in loan rates. The decision to elect ACRE binds the farm to the program through the 2012 crop year, the last crop year covered by the 2008 Act.

More information about ACRE, DCP and other price support programs is available on FSA's website at:

<http://www.fsa.usda.gov> and then click on the "Direct and Counter-Cyclical Program/ACRE" link.

DCP on Farms with 10 Acres or Less Base

The 2008 Farm Bill contains regulations that make farms with 10 acres and less total base ineligible for DCP payments unless the farm is wholly owned by a Limited Resource or Socially Disadvantaged Producer. This rule was waived for 2008 only. Current procedure allows for Farm Reconstitutions to combine land under separate ownership under one FSA farm number if all of the following apply:

- The resulting farm meets the FSA definition of a farm
- The land is under a lease agreement of at least 1 year
- All owners agree in writing.

The deadline to request a Farm Reconstitution effective for the 2009 crop year is **August 1, 2009**.

Final Loan and LDP Availability Date

Producers are reminded that the final commodity loan and LDP availability date for 2008 Crop Year Corn, Dry Peas, Grain Sorghum, Lentils, Mustard Seed, Saf-flower Seed, Small Chickpeas, Soybeans and Sunflower seed **will be May 31, 2009**.

Report Failed Crop Acreage Prior to Destruction

With spring planting around the corner, farmers are encouraged to report failed crop acreage that will not be brought to harvest to their local FSA office. Failed acreage must be reported to FSA before destroying and replanting to allow time for a field check.

Form CCC-576, Notice of Loss, is used to report failed acreage and may be completed by any producer with an interest in the crop. For crop losses covered by the Non-insured Assistance Program (NAP), **producers must contact their local FSA office within 15 days of the occurrence of the disaster or when losses become apparent**. Producers with crop insurance should also contact their local agent when losses occur and before destroying the crop.

Producers are encouraged to keep good production records on acreage with a low crop yield to document crop losses. To be eligible for crop disaster programs in the future, production records may help support crop loss claims.

NAP Production Reporting

Production records for individual crops need to be filed with the FSA 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 or 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. **2008 crop year production records must be submitted by July 15, 2009**.

CRP Program Participant Reminders

Participants in the Conservation Reserve Program (CRP) are reminded of the following operations and maintenance rules applicable to any land enrolled.

Cosmetic or periodic mowing of CRP acreage is prohibited. Mowing to maintain your NRCS plan can be performed on CRP fields after July 15th. CRP land shall not be mowed during the primary nesting season (March 1 to July 15). Mow no shorter than four inches for cool season grasses and legumes, and no shorter than six to eight inches for warm season grasses. Do not mow cool season and legumes after September 1st or warm season grasses after August 15th to allow sufficient time to build root reserves and wildlife cover prior to frost.

To control noxious weed or severe weed infestations permission must be requested and granted by the FSA County Committee, in consultation with NRCS, to spot treat affected areas during primary nesting season.

Maintain the cover by applying the necessary lime and fertilizer per soil tests. Manure or sludge can only be applied to CP1, CP2, and CP10 practices from July 16th through October 1st, using an approved "Waste Utilization Plan" prepared by NRCS.

Do not use CRP for travel lanes or roads under any circumstances. CRP land can be used for turn rows or crossing areas as part of planting and cultivating or harvesting crops in an adjoining field.

CHANGES: CRP participants will soon be receiving new form CRP-817U, Certification of Compliance for CRP, which must be completed and returned before July 15, 2009. Also, participants are asked to report to their local FSA when there are changes that occur due to transfer of ownership, death, incompetent or missing persons.

Any of the following changes must be reported to FSA; changes to banking information for direct deposit payments, mailing address changes, land ownership changes--including land transfers to living trusts, irrevocable trusts, etc. Estates of CRP participants need to contact their local FSA office while the Estate is open to obtain and submit documents needed to ensure earned CRP payments can be issued.

Failure to report changes may result in ineligibility for CRP annual rental payments or termination of CRP contracts, which requires a refund of all payments received under the CRP contract plus interest and liquidated damages. It is extremely important that all Conservation Reserve Program Contracts contain accurate information.

Take action to report changes immediately to avoid unnecessary delays in program benefits or inaccurate payments. Lastly, contact your local FSA county office if you have any questions regarding the terms and conditions of your CRP contract.

CREP & Continuous CRP Available

At this time USDA has no general sign-ups scheduled for the Conservation Reserve Program (CRP) in 2009. However, environmentally sensitive acreage qualifying for the Conservation Reserve Enhancement Program (CREP) and Continuous CRP will still be eligible for enrollment. These targeted programs remain funded, and continue to provide a heightened environmental benefit on select areas.



(Photo Courtesy of the USDA NRCS, this is an example of an ideal site for a CRP Grass Waterway Practice)

Sodbuster, Swampbuster

Most Farm Service Agency programs require compliance with sodbuster and swampbuster provisions. These provisions require producers to follow an approved conservation system on all highly erodible land planted to an annual crop as determined by the Natural Resources Conservation Service.

Be sure to have determinations made on any new land you plan to plant to annual crops. If you plan to plant a different crop on your current cropland, check with NRCS to assure the new crop will qualify under your conservation system.

Swampbuster provisions state that converting a wetland to make possible the planting of a crop will result in the loss of all USDA benefits. To avoid this possibility it is strongly recommended that producers check with NRCS before converting wetland areas to make possible the planting of a crop.

Banking Changes?

If you have changed banks and not notified FSA, your payment could be delayed. Payments are electronically transferred into your bank account, if we are not aware of changes to your account and routing numbers, there could be problems. In order to make timely payments, you need to notify the office if you close your account or if another financial institution purchases your bank. It is important that any changes in producer's account such as type account, bank mergers, routing number or account numbers, be provided to the county office promptly to avoid possible payment delay.

Rural Youth Loans

The U.S. Department of Agriculture's Farm Service Agency (FSA) makes operating loans to individual rural youths age 10 through 20 to establish and operate income producing projects. These projects must be of modest size and be initiated, developed, carried out by rural youths participating in 4-H Clubs, FFA, or a similar organization or with a vocational teacher or county extension agent. The project must be an organized and supervised program of work. It must be planned and operated with the assistance of the organization advisor, produce sufficient income to repay the loan, and provide the youth with practical business and educational experience. To find out more about the FSA Rural Youth loan program, contact the FSA office to setup an appointment with a Loan Approval Official.

Base Acreage on Federally-Owned Land Reinstated

Agriculture Secretary Tom Vilsack recently announced that the rule terminating base acres on federal land has been rescinded. As a result, farmers who lease federal land are again considered eligible to receive payments under the Direct and Counter-cyclical Program (DCP) on federal land with base acres.

Dates to Remember

May 18	Deadline to pay a buy-in fee to become eligible for the SURE, ELAP, and (TAP) programs.
May 25	Memorial Day Holiday. FSA Offices Closed.
May 31	Deadline to apply for 2008 commodity loans and LDP's on feed grains, soybeans, pulse crops.
June 15	County Committee Nomination period begins.
June 30	Final certification date for small grains.
July 4	Independence Day Holiday. FSA Offices Closed.
July 15	Final certification date for all crops except small grains.
Continues	Continuous Conservation Reserve Program.

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