Montgomery County News

MAY 2009

Montgomery County USDA Service Center

Montgomery Cty. FSA
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Brookville, OH 45309
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www.fsa.usda.gov/oh

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

County Committee
Don Michael, Chairman
Don Aukermann, Vice Chairman
Ray Wilcoxson,Member
Kathy Garber, Advisor

County Committee meets every third Tuesday of the Month at 9:00 AM

Service Center Staff
Dawn Etter, LPT
Debbie Vanzant, PT
Kerry Yount, PT

COUNTY EXECUTIVE DIRECTOR
Dan Ennist

FARM LOAN MGR.
Pete Ferriell

FIELD REPORTER
Jason Michael

WEBSITE:
www.fsa.usda.gov
www.fsa.usda.gov/oh

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.

For more information about these programs, contact your local FSA office. A 2008 Crop Year Buy-in for Disaster Assistance Programs factsheet is also available at:
http://www.fsa.usda.gov/Internet/FSA_File/buyinwaiver08.pdf

NAP Production Reporting

Production records for individual crops need to be filed with our local 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.**

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, Safflower Seed, Small Chickpeas, Soybeans and Sunflower seed **will be May 31, 2009.**

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 in late April, 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.

For more information about ACRE, DCP and other price support programs, please visit your local FSA office or FSA's website at: http://www.fsa.usda.gov and then click on the "Direct and Counter-Cyclical Program/ACRE" link.

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 visit your local FSA office or go online to: http://www.fsa.usda.gov/FSA.

Selected Interest Rates for April 2009	
90-Day Treasury Bill	0.250%
Farm Operating Loans — Direct	2.250%
Farm Ownership Loans — Direct	4.125%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency Loans	3.750%
Farm Storage Facility Loans	2.500%
Sugar Storage Facility Loans	3.750%
Commodity Loans 1996-Present	1.625%

Report Failed Crop Acreage Prior to Destruction

With spring planting around the corner, the Montgomery County Farm Service Agency (FSA) encourages farmers to report failed crop acreage that will not be brought to harvest to their FSA office. Failed acreage must be reported to FSA before destroying and replanting to allow time for a field check.

"It is very important that farmers report failed acreage that will not be brought to harvest to the FSA office prior to destruction," said Montgomery County Executive Director, Dan Ennist, "This simple act of insuring that failed acres are documented could be the determining factor in whether or not a farmer is eligible for future crop disaster program payments."

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.

Additional information in regard to failed crop acreage or crop losses covered by the Non-Insured Assistance Program (NAP) can be obtained by contacting your local FSA office. FSA program information is also available online at: http://www/fsa/usda/gov.

WETLANDS ARE NOT A BAD THING

Wetlands are some of the most beautiful places on earth, but also some of the most poorly understood and unappreciated features of our natural landscape. In the past, wetlands were associated with disease and pestilence, hotbeds for malaria and other frightening diseases. The sulfurous smell often experienced in wetlands generated from the decomposition of organic matter provided an incentive to destroy the source of the odor. We've come a long way in understanding the values of wetlands in recent years. We now realize that wetlands provide critical environmental benefits we all need and desire.

Ohio has a history of an adversarial relationship with wetlands. Much of northern Ohio was covered with wetlands before the arrival of settlers from the east coast. Most of these settlers relied on farming for sustenance and needed farmland to grow crops. Therefore, they sought to drain as much of the Great Black Swamp, as this area was called, to allow crop production on the rich soils. Intensive logging for the railroad industry was another factor that led to the disappearance of wetlands. In total, Ohio's wetland area decreased about 90 percent between the 1780s to the 1980s, from about 5,000,000 acres to about 483,000 acres. (ODNR)

Today it is much more difficult to fill-in or drain wetlands than it was during the settlement of Ohio. The U.S. Army Corps of Engineers has jurisdiction over wetlands conversion through the Clean Water Act. Permits for disturbing or destroying wetlands must be obtained prior to any activity. In some cases, wetland alteration or destruction will not be allowed. Wetland mitigation, replacing wetlands destroyed through development with equivalent wetlands, is one strategy employed to ensure no net loss of wetlands. Crops cannot be grown on cropland converted from wetland after 1985 if the landowner wishes to participate in programs offered by the U.S. Department of Agriculture. Owners of wetlands that converted the cropland to wetland after 1990 are also not eligible to participate in any programs offered by the U.S. Department of Agriculture until the wetland functions are mitigated or restored.

Wetland Benefits

From an ecological standpoint, wetlands are a critical component of many natural landscapes. Wildlife depends on wetland areas for food, shelter, and reproduction. Fish spawn in wetland areas, frogs lay eggs in the shallow wetland waters, and birds build nests in wetland shrubs and trees. Beavers frequently dam off wetland areas to create their dens, using the surrounding vegetation to build their shelters where their young will be born and protected.

From a water quality standpoint, wetlands have earned the title of "kidneys of the earth." Water containing sediment, nitrogen, and pesticides is filtered either mechanically or chemically in a wetland system. Sediment carried by flowing water is able to settle out in a wetland, while nitrogen can escape into the atmosphere or be utilized as nutrients. Some pesticides are broken down in the biologically active wetland zone.

From a hydrological standpoint, wetlands are like a sponge, able to slow and absorb large volumes of water. Buffering the effects of flooding, a wetland holds the water and releases it slowly, preventing damage from quick moving water or from sediment deposition on the surrounding land.

From a recreational standpoint, wetlands provide numerous opportunities for humans to enjoy nature. Birdwatchers are frequent wetland visitors as numerous types of birds utilize wetlands for their habitat or for a resting point during their migration. Canoeists and kayakers enjoy the calm waters of wetlands and can maneuver through places inaccessible by foot traffic. Photographers take advantage of the visual smorgasbord wetlands provide and hunters brave the elements in search of the perfect duck for a holiday feast.

There is little doubt a part of most farm landscapes are suited for and can benefit from a wetland. Many of these locations are crop field areas that lay wet most of the year or seasonally, preventing a profitable yielding crop. Other areas along streams or ditches may be adapted to wetlands without loss of valuable cropland.

Profitable Wetland Programs

The USDA Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS), and Fish and Wildlife Service (FWS) have been charged with protecting wetlands using Federal programs and services. FSA can pay annual payments to landowners and operators (equal to cash rent rates) for converting cropland or marginal pastureland to wetlands by enrolling in the Conservation Reserve Program (CRP) for 10-15 years. Other incentive payments for enrollment into CRP include a one-time Signing Incentive Payment (SIP) equal to $100 an acre and a Practice Incentive Payment equal to 40% of the cost of installing the practice. This is on top of the 50% cost share.

There is no question that wetlands are a critical part of the environment and provide many valuable functions and benefits. While often maligned in the past, a new appreciation for wetlands has developed over the decades.

For more information on wetlands programs through FSA in Ohio, visit http://www.fsa.usda.gov/oh , or contact your local FSA office. For FWS assistance with wetland practices on private lands, visit http://www.fws.gov/partners/. For Ohio NRCS wetland programs, access: http://www.oh.nrcs.usda.gov/programs/wrp/wetlands_reserve_program.html.

(Courtesy of Defiance County, this is an example of a wetland).

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USDA United States Department of Agriculture

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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 your local 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	Farm Storage Facility Loan Program.

Visit our website at: www.fsa.usda.gov/oh

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