



Caledonia/Essex County Updates

January 2009

Farm Service Agency

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St. Johnsbury, VT 05819

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Hours

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

County Committee

Burt Patenaude, Chair
Robert Porter, Vice Chair
William Nelson, Member
Michael Tanguay, Member
Darcy Smart, Advisor

**COC meets 2nd Thursday
of each month at 10:30 am**

**County Executive
Director**

Patricia Passut, ext 104
patricia.passut@vt.usda.gov

Program Staff

Patty Matte, ext 100

Farm Loan Staff

(802) 334-6090 or
1-866-241-2190 (toll free)
Brian Kuper, FLM
Diane Gilman, FLO
Dorcas McAllister, FLO

NRCS Staff

www.nrcs.usda.gov
Tim McKay, ext 109
Nick Commerci, ext 101
Jacob Clough, ext 117

NRCD Staff

Kerry O'Brien, ext 110
Tamara Stevens, ext 114
Brandon Carpenter, ext 106

Rural Development

www.rd.usda.gov
Steve Campbell, ext 102
Mark Koprowski, ext 120
Suzanne Smith, ext 112
Dianne Drown, ext 119

County Committee Election Results

Congratulations to William (Bill) Nelson! Bill was re-elected to represent farmers from Barnet, Danville, Groton, Peacham, and Ryegate on the county committee (COC). The election results for Local Administrative Area 3 are:

William Nelson — Re-elected to the county committee,
Bruce Nelson — 1st alternate to the county committee,
Stewart Gates — 2nd alternate to the county committee,
Arthur Roy Jr. — 3rd alternate to the county committee

Congratulations to Robert Porter! Robert was re-elected to represent farmers from Averill, Avery's Gore, Bloomfield, Brighton, Canaan, Ferdinand, Lemington, Lewis, Norton, Warner's Grant, and Warren Gore on the county committee (COC). The election results for Local Administrative Area 4 are:

Robert Porter — Re-elected to the county committee

FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

The COC held their organizational meeting and re-elected Burt Patenaude to serve as the chairperson and Robert Porter to serve as the vice-chairperson. The monthly meeting of the COC will be held on the second Thursday of each month beginning at 10:30.

MILC Sign Up Underway – Initial signup phase ends January 21, 2009

Signup for the Milk Income Loss Contract Program (MILC) is underway and will continue through the program's expiration date, Sept. 30, 2012. The 2008 Farm Bill reauthorized the MILC Program.

Under the new regulations for the Program, the per-operation limit is modified for the period from October, 2008 through August, 2012 to a maximum of 2.985 million pounds of milk per fiscal year. In addition, a "feed cost adjuster" will be included in the calculation of the monthly MILC payment rate. It will adjust the \$16.94 per hundredweight benchmark price upward depending on the cost of feed rations as determined by NASS in the National Average Dairy Feed Ration Cost. MILC payments will be authorized on a monthly basis when the adjusted target price exceeds the Boston Class I price for that month.

The 2008 Farm Bill made changes to the provisions for payment eligibility to add an adjusted gross income (AGI) limit. If the individual or entity has average annual non-farm AGI for the three previous years greater than \$500,000, the individual or entity is not eligible for MILC benefits. This requirement is in addition to the requirement that a participant be in compliance with highly erodible and wetland regulations. Producers will also be expected to file paperwork to define their farming operations.

During the signup period, participating dairy operations must select the month of the fiscal year to start receiving payments for eligible production. Producers applying during the "initial signup phase", which **ends January 21, 2009**, will have more selection of start months. Producers submitting contract applications after Jan. 21, 2009, will not have the option of selecting a preceding month and will be limited by "old" start month selection rules. If you have questions about when you need to submit your contract based on the start month you are selecting, call the office and we can help you.

Direct and Counter-Cyclical Payment (DCP) program Sign-Up Begins

Enrollment for the 2009 Direct and Counter-cyclical Payment (DCP) Program for farms with base acres continues through June 1, 2009. The June 1, 2009 deadline is mandatory for all participants. USDA will not accept any late-filed applications.

For 2009, eligible producers may request to receive advance direct payments of 22 percent of the total payment for each commodity associated with the farm. USDA will be able to issue advance direct payments once a producer has applied and met all eligibility requirements.



USDA Enacts Changes to Payment Limitations, Income Qualifications, and Implements Direct Attribution

USDA recently published an interim final regulation in the Federal Register announcing changes to both Adjusted Gross Income (AGI) qualifications, program payment limitations, and direct attribution for FSA and Natural Resources Conservation Service (NRCS) programs, which became effective in accordance with the 2008 Farm Bill.

For commodity and disaster programs, the AGI limitation was reduced from \$2.5 million AGI from all sources to a three-year average non-farm AGI of \$500,000 such that a person or entity shall not be eligible for such programs if the non-farm AGI exceeds \$500,000. Also, under the new regulations, an individual or entity must have a 3-year average AGI less than or equal to \$750,000 per year from farm income in order to qualify for direct payments issued under the Direct and Counter-cyclical Program.

The definition of income derived from farming, ranching and forestry operations was expanded to include, among other items, such items as the packing, storing and transporting of agricultural commodities; production of livestock products; farm-based production of renewable bio-energy; and in some instances, the providing of operational inputs to farmers, ranchers and foresters.

For conservation programs, the average nonfarm AGI limitation is \$1 million or less for eligibility with allowances for certain exceptions.

Individuals and entities must be "actively engaged in farming" with respect to a farming operation in order to be eligible for specified payments and benefits. To be "actively engaged in farming," the individual or entity must make significant contributions to the farming operation of: (1) capital, equipment, land, or a combination; and (2) personal labor or active personal management, or a combination.

Public comments on this interim final rule must be submitted to the Department by within 30 days of the date of publication.

Direct Deposit & Bank Account Changes

Forms are available at the FSA office to sign up for direct deposit if you haven't yet. Current policy mandates that FSA payments be electronically transferred into your bank account. For those already signed up, it is important that we are notified anytime there is a change in your account number or financial institution. You need to notify the office if you close your account or if another financial institution purchases your bank. Payments can be delayed if the FSA office is not aware of updates to your account and routing numbers.

Wool/Mohair/Unshorn Pelt LDPs

For crop year 2008—February 2, 2009 is the final deadline to apply for a 2008 crop wool/ mohair/unshorn pelt Loan Deficiency Payment (LDP). **You must apply and provide documentation by this date!**

LDP rates are announced every Wednesday. The current ungraded wool LDP price is 29 cents per pound and the mohair LDP price is \$1.55 per pound. The payment for unshorn pelts is calculated as follows 6.865 lbs. X ungraded wool rate = price paid per pelt.

For crop year 2009— There is a form that producers need to sign once per crop year, indicating their intention to apply for a Loan Deficiency Payment. This form must be signed and submitted prior to losing beneficial interest in the crop.

Eligible producers must have beneficial interest in the pelts, owned the lamb for at least 30 calendar days before the date of slaughter and sell the unshorn lamb for immediate slaughter. Producers must also comply with wetland conservation and highly erodible land conservation provisions on all lands they operate or have interest in.

To qualify for payment, pelts must have been produced by an eligible producer from live unshorn lambs of domestic origin in the United States.

Report of Payments to Producers

A summary of all earned payments and/or refunds during the previous calendar year, will be mailed to producers during the last week of January. Form CCC 1099-G will be mailed from KCMO.

Spousal Signatures

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

There are exceptions to the rule. Spouses may not sign FSA-211s on behalf of each other or sign on behalf of the other as an authorized signatory for partnerships, joint ventures, corporations or other similar entities. Spouses must have a power of attorney on file or sign personally for claim settlements, such as promissory notes, and on security documents for price support loans.

Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents.

A spouse's authority to sign documents on behalf of the other spouse does not entitle the spouse to review or receive agency records of the other spouse.

Loans for Socially Disadvantaged

The Farm Service Agency (FSA) can make and guarantee loans to socially disadvantaged applicants to buy and operate family size farms and ranches. Funds specifically for these loans are reserved each year. A socially disadvantaged farmer or rancher is one of a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians and Alaskan Natives, Hispanics, and Asians and Pacific Islanders. Contact your local FSA Farm Loan Manager or Officer for more details and assistance in applying.

Applications for FSA Loans

Farmers and ranchers that intend to apply to the Farm Service Agency for loan assistance for the upcoming crop year are encouraged to file their applications as early as possible. Filing early will help ensure that your loan is processed and approved as early as possible so that planting decisions can be made. Failure to apply early can result in a delay in processing loans due to the volume of applications that must be processed in date order. Contact your local FSA farm loan manager or officer for more details and assistance in applying.

Youth Loans

Remember 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. Contact your local FSA office for more details

Year End Reviews

Producers that have a farm loan with FSA are reminded they must provide data for their Year End Analysis (YEA) to their loan officer each year. Borrowers are urged to provide this information timely so their files can be maintained.

Contact Farm Loan Staff Toll Free

With loan customers in Orleans, Caledonia, Essex, and Orange counties in Vermont, the Newport Farm Service Agency has a toll free telephone line. This should help current and potential borrowers contact the loan staff. The toll free number is 1-866-241-2190.



Attention Producers, Landowners!

- Do you intend to clear timber areas to create or to expand existing crop areas?
- Are you converting a pasture field into a crop field?
- Are there any areas on your farm(s) that you are considering cropping that have not been cropped in recent years?
- Is there a wet spot in a field that you want drain to make cropping easier?
- Are you disturbing a wildlife habitat area of any type?
- Are you doing anything different on your farm(s) this year?



These are Highly Erodible and Wetlands provision questions that need to be considered each year by producers to assure that they may remain eligible for USDA benefits. If you have any question or concern that something you plan to do on your farm could jeopardize your eligibility for benefits, please contact your NRCS representative before you begin work.

Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA.

Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, Realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

Appeal Process

After an FSA official makes a decision on your request for USDA services or application, you will be sent a letter informing you of the decision and options you can pursue if you disagree.

Generally, program participants have four choices – an informal review with the original agency decision-maker, an opportunity for mediation, appeal to State Committee and appeal to the USDA National Appeal Division (NAD).

Civil Rights Complaint Process

Any person, class or group of persons may file a discrimination complaint with 180 days of an alleged discriminatory action. Complaints may be filed in writing or orally with the agency head, any designated agency official or the Secretary of Agriculture, U.S. Department of Agriculture, Washington, D.C. 20250. Assistance in filing a complaint can be obtained by calling or visiting any FSA office.

RETURN SERVICE REQUESTED



"The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program 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 to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer."

Special Accommodations

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office staff directly or by phone.

Controlled Substance

Any person who is convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant. Prohibited plants include marijuana, opium, poppies and other drug producing plants.

Dates to Remember

- Jan 19 Martin Luther King Jr.'s Birthday – Office Closed
- Jan 21 MILC "initial signup phase" ends
- Jan 27-29 Farm Show at the Barre Civic Complex
- Feb 2 Application deadline for crop year 2008
Wool/Mohair/Unshorn Pelt LDP
- Feb 16 George Washington's – Office Closed
- Ongoing Farm Storage Facility Loans
(January interest rate is 2.125%)
Conservation Reserve Enhancement Program (CREP)

**Disaster Signup Continues – Quality
payments open up**

Signup for Quantity and Quality Losses under the Crop Disaster Program (CDP) continues. CDP provides benefits to farmers who suffered quantity and/or quality losses in 2005, 2006 or 2007. Only producers who obtained crop insurance coverage or coverage under NAP for the year of loss will be eligible for CDP benefits.

Please submit your information to the office ASAP so we can work on processing it. Call the FSA Office for more information.

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Speak with Melissa or Audrey
www.uvm.edu/agvocrehab



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