



### Franklin-Grand Isle County FSA

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[www.fsa.usda.gov](http://www.fsa.usda.gov)

#### Hours

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

#### Farm Service Agency County Committee

Maurice Fortin, Chairperson  
Madonne Rainville, Vice-Chairperson  
Dwight Bullis, Member  
Andrew Brouillette, Member  
Diane McGarry, Member

**NOTE: COC meets 3<sup>rd</sup>**

**Thursday each month at 11:00**

#### County Executive Director

Brenda Ladue (ext. 106)

#### Staff

Carolyn Church, P.T. (ext. 109)  
George Godin, P.T. (ext. 107)  
Luc Dupuis, P.T. (ext. 105)  
Tracy Derry, P.T. (ext. 124)  
Marguerite Noel, P.T. (ext. 100)  
Dorothy Perkins, P.T. (ext. 113)

#### Loan Manager

Dirk Reith (ext. 110)

#### Loan Officers

Brad Parker (ext. 112)  
Liz Vesosky (ext. 111)

#### Natural Resources

##### Conservation Service

Angela L. Biggs, D.C. (ext. 118)  
Joanne Yousten, S.C. (ext. 115)  
Sarah Larose, S.C. (ext. 127)  
Diane Ladue, C.T. (ext. 121)  
Roslyn Odum, Ag. Eng. (ext. 128)  
Ann Lansberry, C. E.T. (116)

#### Natural Resources

##### Conservation District

Renae Masse, Manager (ext. 119)  
Agricultural Land Treatment & Conservation Planners:  
Carla Fenner (ext. 117)  
Trevor Lewis (ext. 120)  
Mark Marsh (ext. 126)

#### Vermont Agency of Ag. Staff

Ben Gabos, CREP Planner,  
(ext. 122)  
Greg Bouchard, Civil Engineer,  
(ext. 114)

### Dates to Remember

**NAP Application Deadline**  
Annual Spring Seeded Crops  
**March 16, 2009**

**Honey Loans**  
**March 31, 2009**

**DCP Sign Up Deadline**  
**June 1, 2009**

**MILC Extended Phase**  
**Sept. 30, 2012**

### Dairy Prices Trigger MILC Payments

Due to low milk prices FSA will be making payments in April to producers through FSA's Milk Income Loss Contract, or MILC, program. The 2008 Farm Bill made changes to the MILC program, notably the addition of a dairy feed ration cost adjustment in addition to changes to the payment rate and modifications to the per-operation poundage limit, depending on when the milk is produced.

FSA issues payments not later than 60 calendar days after FSA receives production evidence for the applicable month or the entire month's National Average Dairy Feed Ration Cost is posted for the applicable month, whichever is later.

FSA makes payments on up to the maximum eligible pounds of milk produced and marketed by each operation per fiscal year. The annual maximum eligible pound limit per dairy operation is 2,985,000 pounds per fiscal year. The amount drops to 2.4 million pounds per fiscal year on September 1, 2012.

MILC participants must select a month for which FSA will begin issuing payments for each fiscal year. Starting with the dairy operation's selected month, FSA will issue MILC payments based on that month's milk production and the milk production for each consecutive month thereafter with the effective payment rate until the operation reaches the production cap or the fiscal year ends.

The 2008 Farm Bill also excludes producers whose non-farm average adjusted gross income (AGI) exceeds \$500,000 from receiving MILC payments. Producers will have to sign an AGI statement when signing up for the program. More information about the MILC program can be found on the FSA website <http://www.fsa.usda.gov>. **Important Reminder When Changing Start Month for MILC: Changes in the start month may be made from year to year so long as the designation is made by the 14<sup>th</sup> of the month preceding the new start month.**

### DCP Signup Continues

Signup has started for the 2009 Direct and Counter-cyclical Payment (DCP) Program and continues until **June 1, 2009**. This deadline is mandatory for all participants. FSA will not accept late-filed applications.

The electronic DCP (eDCP) service will save you time, reduce paperwork and speed up contract processing at FSA offices. It is available to anyone eligible to participate in the DCP Program. To access this on-line service, you must have an active USDA eAuthentication Level 2 account, which requires filling out an online registration form at <http://www.eauth.egov.usda.gov> followed by a visit to the local USDA Service Center for identity verification. Producers eligible for the DCP Program are also able to enroll in the Average Crop Revenue Election (ACRE) Program or the Counter-cyclical Program. The enrollment period for the ACRE Program will begin in the spring. You may first enroll in the DCP Program, receive advance direct payments and then later modify your enrollment to the ACRE program or you may wait and elect to enroll in DCP and ACRE at the same time in spring 2009.

### Flexible or Cash Lease

Producers should be careful to differentiate between flexible leases and cash leases when reporting to the Farm Service Agency (FSA).

**Flexible leases**, in which the producer pays a base rent, and offers a bonus on yield and/or price increase to a landowner, are considered by the FSA as share leases.

**Cash leases** specifying a fixed amount, not subject to changes from yield or price are common and the norm across the country. Flexible or hybrid leases are now coming to the attention of FSA.

Each year FSA participants complete form CCC-902 Continuation Sheet for Leased or Owned Land which are subject to spot check. Paying more than what the original lease specifies may violate a producer's CCC-902, if not completed correctly. A violation could make an operator ineligible for Direct Counter-cyclical Payments (DCP). Example: A lease that is for \$100 acre plus an additional \$40 per acre if the crop exceeds \$4/bushel or 170 bushels corn/acre or \$7/bushel or 40 bushels of soybeans per acre is by FSA procedure a share lease. FSA procedure states that, a lease is a share lease if the lease bases the amount of rent on the quantity of crop produced or the proceeds from the crop, or the interest a producer would have if the crop had been produced.

### Payment Limitation Comment Period Extended

FSA has announced that the comment period for the regulation defining actively engaged participation in a farming operation has been extended for an additional 60 days, FSA is seeking a diverse range of comments from different areas of the United States and farming communities.

With this extension, the public may continue to submit comments until April 6, 2009. The extension document is available at <http://www.fsa.usda.gov/FSA/federalNotices?are=home&subject=lare&topic=frd-ii>

## **NAP Application Deadline**

The deadline to sign up for Noninsured Crop Disaster Assistance Program, or NAP coverage is **March 16**. Producers are reminded about the need for insurance coverage on crops in order to remain eligible for the agency's Disaster Assistance Programs such as SURE, LFP, TAP, and ELAP. Producers must purchase at least catastrophic (CAT) level of insurance for all insurable crops.

NAP is a federally funded program that provides coverage to producers for non-insurable crops when low yields, loss of inventory or prevented planting occurs due to natural disasters. Crops eligible for NAP coverage are those for which crop insurance is not available, including fruits and vegetables, aquaculture, pecans, turf grass and forage crops just to name a few.



Producers must apply for coverage before a disaster strikes. NAP applications for coverage must be filed using Form CCC-471 and pay the applicable service fees by the closing date. Application closing dates vary by crop. Franklin/Grand Isle County producers can contact the FSA Office for specific crop application sales closing dates at: 802-527-1296.

More information about NAP may be found on the FSA web site located at <http://www.fsa.usda.gov>

## **Conservation Compliance**

All participants in USDA programs are required to have a conservation system in place on all highly erodible land (HEL) that they operate. Several areas where problems can arise with complying with a conservation system are: renting new crop land, purchasing new land, breaking out additional cropland, planting different crops such as soybeans, and changing or removing existing conservation practices.

**It is very important that you contact the FSDA or NRCS office before doing any of the above. Also, it is very important that you contact us before modifying, tiling, draining, dredging, filling, or leveling any wetland or drainage ditch. Failure to obtain advance approval for any of these situations can result in loss of Federal payments and eligibility.**

## **Honey Loans**

Marketing assistance loans and loan deficiency payments for 2008 crop year honey are available until March 31, 2009. The national loan rate for honey is \$0.60 per pound. Market prices currently exceed the loan rate, so LDPs are not available at this time.

To be eligible for a loan, the producer must have produced honey in the United States during the calendar year for which the loan is requested, and extracted the honey on or before Dec. 31 of the applicable crop year; have continuous beneficial interest in the honey through date of repayment of the loan; and been responsible for the financial risk of keeping. Producers are responsible for maintaining the quality of farm-stored honey during the term of the loan.

The honey must be produced in the United States by an eligible producer, from an approved floral source, and stored in approved containers.

Containers must be marked with the producer's name, type of honey, number of container and net weight. Pre-loan inspections are required before the loans can be disbursed.

Honey used as collateral may not be disposed of without approval of the county office staff.

## **Stimulus Funding for FLP Loans**

As part of the recently approved economic stimulus package, FSA's Farm Loan Programs (FLP) is scheduled to receive an extra \$173 million in funding for the direct operating loan (OL) program. Many states have a current backlog of approved OL loans waiting for funding. As of February 23, the backlog stood at 1,039 loans valued at more than \$72 million. Producers' financial needs have increased significantly with the elevated costs of production inputs and the downturn in the agricultural economy. This growing need, coupled with FLP's successful marketing efforts, has generated increased demand for FSA OL loans as well as farm ownership loans.

## **FSA Payment Record (1099-G)**

If you have a question concerning the 1099-G refund information, you may contact your local FSA office for assistance locating the correct payment data. If you choose to visit the office, bring your CCC-1099-G with you.