



February 2009

Orleans County News

Farm Service Agency

59 Waterfront Plaza, Ste 11
Newport, VT 05855-4877

334-6090-Phone
1-866-241-2190 Toll Free Phone
334-1365-Fax

Hours

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

County Committee

Scott Birch, Chair
Doug Lawson, Vice Chair
Donna Hammond, Voting Member
Donna Hammond, Minority Advisor

COC meets 2nd Wednesday of each month.

NRCS District

Dayna Cole, Dist Mgr X18
Dee Nault
Paul Daniels, Chair
Bill Lawson, Vice Chair
Richard Delfavero, Treasurer
Karen O'Donnell
William Ryan
Darryl Mongeon

NRCS Staff

David Blodgett, DC X25
David.blodgett@vt.usda.gov
David Gauvin, CET X23
Brenda MacDonald-Kuper, SC X21
Marybeth Whitten, SC X22
Linere Silloway, PA X24

Loan Staff

Brian Kuper, FLM X14
Brian.kuper@vt.usda.gov
Diane Gilman, FLO X11
Dorcas McAllister, FLO X15
Cheryl Smith, PT X13
Angela Goodridge, PT X12
Meghan DuBois, FLOT X17

Program Staff

William Putnam, CED X28
William.putnam@vt.usda.gov
Laurie Locke, PT X16
Brock Columbia, PT X26



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.

Crop Disaster Program Signup Deadline

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. **The Crop Disaster Program (CDP) signup period will end Feb. 27, 2009.** The ending date of Feb. 27 applies to the receipt of a signed and completed FSA-840 application along with ALL supporting documentation, consultant letters and required forms at the applicable county FSA office. **Late filed applications will not be approved after the Feb. 27 deadline.**

Please submit your information to the office ASAP. For further questions about CDP and the sign-up deadline, please contact the county FSA office.

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

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.

Eligible producers for the DCP Program are also eligible 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.

MILC Sign Up Underway -

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 based on a payment rate percentage that is multiplied by the difference between a now-flexible target (\$16.94 per cwt. or higher) and the specific month's Boston Class I price of milk.

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.

Power of Attorney

If you're too busy getting work done around the farm to come into your local FSA office to conduct business and complete your paperwork, here's a solution. Retain an agent to act on your behalf for programs and transactions authorized under the most recent Farm Bill and most other FSA administered programs. This can be done by completing an FSA-211, Power of Attorney. The form is available at your local USDA Service Center or on-line at <http://forms.sc.egov.usda.gov>. Forms obtained and completed outside USDA Service Center offices must be notarized. To find out more, call the office.

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).

Payment Limits & Direct Attribution

For commodity and disaster programs under the new farm bill, the AGI limitation was reduced from \$2.5 million 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 certain 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.

For conservation programs, the average nonfarm AGI limitation is \$1 million or less for eligibility. However, an individual or entity who has non-farm AGI in excess of \$1 million remains eligible for conservation programs only if 66.66 percent or more of the total AGI is derived from farming, ranching and forestry operations. In addition, the AGI limitation for conservation programs may be waived on a case-by-case basis if it is determined that environmentally sensitive land of special significance would be protected.

Program payments are limited by direct attribution to individuals or entities. A legal entity is defined as an entity created under Federal or State law that owns land or an agricultural commodity, product or livestock. Through direct attribution, payment limitation is based on the total payments received by the individual, both directly and indirectly. Qualifying spouses are eligible to be considered separate persons for payment limitation purposes, rather than being automatically combined under one limitation.

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. For more detailed information contact your local 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.

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 to drain to make cropping easier? *Are you disturbing a wildlife habitat area of any type?
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. Please contact your NRCS representative before you begin.*

Conservation Reserve Enhancement Program

Farmers are able to take advantage of the Conservation Reserve Enhancement Program (CREP) by signing up under continuous sign up provisions. CREP will reimburse farmers for retiring cropland or pastureland adjacent to streams, ponds and rivers by establishing buffers and similar conservation practices. Program participants will receive annual rental payments, cost-share assistance, and other financial incentives for either 10, 15 or 30 year contracts for installing and maintaining forested riparian buffers or grass filter strips. The buffers and filter strips are narrow in width so contract acreage is minimal, BUT, payments are substantial and provide an attractive incentive. For more information about CREP call 334-6090 or stop by the FSA office.

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 within 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.

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 and 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.

Civil Rights Complaint Process

Any person, class or group of persons may file a discrimination complaint within 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.

Farm Loan Programs

The Farm Service Agency (FSA) offers loans for farmers and ranchers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, borrowers might have suffered setbacks from natural disasters or might be persons with limited resources.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Currently guaranteed loans can reach a maximum indebtedness of \$1,094,000. Emergency loans are always direct loans for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth Loans, Loans to Beginning Farmers and loans for socially disadvantaged applicants are also available through FSA.

Loans for the Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or to improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for Socially Disadvantaged Applicants. A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders.

If producers or their spouses believe they would qualify as socially disadvantaged, they should contact their local FSA office for details. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.