



April 2010

ADAMS FSA NEWS -n- VIEWS

DCP and ACRE Signups Underway

Producers still wishing to enroll farms into the 2010 commodity programs are reminded that the deadline for enrolling into either the Direct Counter-Cyclical Program (DCP), or electing and enrolling into the Average Crop Revenue (ACRE) Program is Tuesday, June 1st 2010.

As a reminder, ACRE election does not make you ineligible for direct payments under the commodity programs; however, it does impose a 20% reduction in those direct payments for the farm, and eligibility for counter-cyclical payments is also surrendered for the farm in exchange for the potential of an ACRE payment. Commodity loan prices for ACRE farms are established at 70% of the rate available to farms enrolled in DCP. ACRE election requires the signature of each landowner on the farm, and is considered to be a permanent election from the year elected through 2012.

The two year average National price for 2010 ACRE (using the 2008 and 2009 marketing years) used to determine triggering of ACRE payments, and to calculate payment amounts is not yet completed; however, ACRE regulations allow for a change of not more than 10% from year to year on this value. The 2009 National average wheat price was \$6.63 per bushel, establishing a 2010 price range with a "minimum" value of \$5.97 per bushel, and a "maximum" value of \$7.30 per bushel. Projected 2 year average to date is \$5.84, which would be increased to the minimum value of \$5.97 per bushel. The national 2 year average value is combined with the 5 year average state yield for crop to determine estimated State revenue for the crop. Actual state revenue is then compared to the historical revenue value to determine if the state loss "trigger" is met. A similar calculation is made at the farm level, using the same price parameters, combined with the individual farm's historical yields and 2010 yield, to determine if the farm loss "trigger" has been met. If both triggers are met, an ACRE payment is due to the producer. If either trigger (or both) is not met, no payment is due.

2009 ACRE statewide yield for wheat has been announced at 54.9 bu./ac. for all wheat. This compares to the 2004-08 statewide benchmark yield of 61.0 bu./ac. Final calculation of the 2009 National Average price for wheat will be released on June 29th 2010.

SURE Signup Continues Too

Signup continues for producers who suffered crop revenue and production losses under the Supplemental Revenue Assistance (SURE) Program. SURE requires that producers meet the basic eligibility criteria of having all crops of economic significance covered by either federal crop insurance, through Noninsured Assistance Program (NAP) coverage, or through buy-in provisions previously authorized. Failure to meet one of these initial eligibility criteria would disqualify you for assistance under the 2008 SURE program unless one of the following waiver provisions applies.

Buy-In: As a result of the late passage of the 2008 farm bill, producers who failed to obtain coverage on one or more crops were afforded the opportunity to pay a fee equal to what the cost of basic crop insurance or NAP coverage would have been, in order to establish SURE eligibility on other, previously covered crops. The period to complete Buy-In has since passed, and this provision is no longer available.

De-minimus provision: This provision allows you to qualify for SURE by omitting from consideration any crop(s) which make up less than 5% of the total expected revenue for the farm, and/or those crops eligible for Noninsured Assistance Program (NAP) coverage where the cost of coverage exceeds 10% of the value of coverage (crops with coverage values of less than \$9,090 meet this provision).

The process to apply for SURE is a two step one; first, if you feel you suffered a loss, and meet the eligibility criteria, we ask that you contact our office either in person, or by phone, to request a review of your eligibility for benefits. Once contacted, our office uses data provided by the Risk Management Agency (RMA) through your crop insurance provider to make a determination of eligibility and potential benefits due under the program. After the data provided by crop insurance is placed onto your application, you, or a person responsible for your work in the FSA office (for example, by power of attorney) would be contacted and an appointment is then scheduled to review the data for accuracy, and to sign the actual application in the event that benefits are due.

To date, we have taken application from many farm operators, and those persons for whom they hold FSA power of attorney. However, we have had only limited requests from landowners individually. Therefore, we encourage landowners who suffered crop losses in 2008, and who were covered by crop insurance and/or NAP on their commodities to contact our office to request a determination of eligibility for these benefits. A final deadline for this signup has not yet been established. For additional information on SURE, please call.

Finally, it's not too late to remind producers that SURE will be effective for crop year 2011, and provisions requiring crop insurance coverage, NAP, or *de-minimus provision* eligibility will remain in effect. For 2011 sales closing dates on any crop, please contact our office.

Adams County FSA

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Office Hours

Monday – Friday
8:00 AM – 4:30 PM

County Committee

Leroy Watson Jr.
Matt Miller
Greg Galbreath
Elizabeth Lyle

COC Meetings

Thursday of the third full week
of each month; next meeting
date May 20, 2010

Office Staff

Chris Holt, CED
Angela Melcher, PT
Jullie Cain, PT
Karin Talkington, PT
Elizabeth Sitton, PT
Emily Kulm, Temp PT

Farm Loan Staff

Libby Anderson FLM
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Contact at (509) 754-2463

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Acreage Reporting Begins

Appointments are now being accepted for reporting planted acreages. An acreage report is a requirement on all cropland to participate in most programs offered through FSA, including DCP, ACRE, SURE, eligibility for marketing assistance loans and LDPs. For NAP and CRP, a report of all acreage planted to covered crops or enrolled in CRP is required. Acreage reporting does not require a fee if completed during the regular reporting period, which runs through June 30, 2010.

To complete your acreage report, you must have first completed planting of all crops, and must be prepared to provide information on the date of planting of all annual crops, a listing of those producers who share in the production of each field, and the crop type, variety, and intended use for the crop. Crop intended uses have become more important with implementation of the SURE program due to the fact that intended uses are not allowed to be modified at a later date; they are designed to reflect what your *intention for the crop is* at the time of planting/reporting; for example, if you have grass that you might hay, or may graze, you will need to indicate which you *intend to do* and this intention can have an effect on which type NAP policy you would need to meet SURE eligibility. Grass circle corners not in CRP may be certified as "left standing", if you do not intend any type harvest on the field; for example, parking of machinery, stacking hay on a field, abandonment, or other non-crop uses. Using "left standing" as an intended use will exclude those acres from SURE eligibility consideration. Similarly, if you are planting a new seeding of alfalfa or grass for seed, and will not harvest in the initial year of planting, fields can be coded as *new seeding* and will be excluded from SURE. Finally, if you plant new trees/vineyards, and they are not yet in production, land can be reported appropriately to protect SURE eligibility. The key is good communication. Please bring these issues to our attention when you acreage report.

Please bring any new or updated leases on farmland for 2010 with you to your appointment, if you have not previously provided them to our office. For those who have multi-peril federal crop insurance on crop(s) be aware that we report planting data to the same crop database, and therefore, information reported to our office and to your agent needs to match to maintain compliance.

For producers who have not yet completed DCP/ACRE signup, or completion of 2010 payment eligibility updates, we will attempt to schedule you for one appointment to complete all necessary activity in one visit, and coordinating the paperwork you will need to complete for all three tasks can be a challenge. That makes it imperative that you call for an appointment rather than just dropping by on the next rainy day. Thanks in advance for helping out with this!

Noninsured Assistance Program Reporting Dates

Producers with policies under the Noninsured Assistance program (NAP) are reminded of the requirement to annually report planted acreage not later than the final date for acreage reporting, June 30, 2010. In addition to annual acreage reporting requirements, NAP requires an annual certification of production. The production reporting date for 2009 crops where NAP policies were in effect is also June 30, 2010. Failure to report timely can affect your eligibility for NAP coverage in the event of loss and also has a negative impact on the established NAP yield for crops not reported.

Also remember that crop losses due to weather related events on NAP crops must be reported to the FSA office within the earlier of 15 days of when the damaging weather event occurred, or the loss became apparent, by filing CCC-576 Notice of loss with the FSA. Losses must be inspected prior to disposition of the crop if you will destroy a crop covered by NAP.

Rangeland policy holders are reminded that grazing losses may be established by comparison of 1) losses of mechanically harvested forage on the farm, or similar farms, or, in no mechanical harvested acreage is available for comparison, 2) range condition estimates made at the conclusion of the grazing period by two independent assessments.

ELAP Late Filing Provisions Announced

Late filing provisions have been announced for livestock producers and honey bee producers who suffered qualifying 2008-09 losses. Under the Emergency Assistance for Livestock, Honey Bees and Farm Raised Fish (ELAP) program, coverage may be available to beekeepers for losses associated with honey bee losses in either year due to adverse weather or eligible loss conditions, including colony collapse disorder. For livestock producers, ELAP will cover certain grazing losses in calendar year 2009, or livestock death or feed losses in either year. Risk management purchase requirements apply to ELAP, requiring NAP coverage on commercially produced honey, or NAP coverage for grazing to qualify, unless equitable relief provisions for failure to purchase required coverage can be established. It is important to note that the late filing provision will end 14 days after publication of ELAP rules in the federal register. No date has been announced for this publication at present. Therefore, if you wish to pursue benefits under this program for honey bee, or livestock losses, please contact our office immediately.