



July 2010

ADAMS FSA NEWS -n- VIEWS

CRP General Signup Announced

The Secretary of Agriculture recently announced there will be a general signup for producers interested in enrolling land into the Conservation Reserve Program. Dates for the signup have been set for August 02, 2010 through August 27, 2010. Offers selected for contract will be enrolled with an effective date of 10-1-2010.

To be eligible for offer, land must meet one of the following eligibility requirements. Field(s) offered must either be determined to be highly erodible (HEL) with an erodibility index of 8 or greater; must lay within an area designated under State or National Conservation Priority Area (CPA) designation; or must be expiring CRP acreage, as of 9-30-2010. Within Washington State, CPA designations have been made for certain wildlife areas, and for the state air quality area. **The air quality CPA boundaries established for this signup are based on hydrologic unit (HUC) areas where PM-10 soils are predominant; this has resulted in a slightly different eligibility boundary from those used in prior signups.** For those with questions about the location of their land in relation to the CPA, the Air Quality CPA map will be available for review at the FSA office prior to signup.

Land must also meet cropping history requirements to offer. Under this requirement, land must have been planted or considered planted to an agricultural commodity in 4 out of 6 years during the period of 2002-2007. Summer fallow in rotation is considered to meet this requirement, as is enrollment in CRP. Alfalfa and conserving use grasses planted in rotations of 12 years or less where the rotation can be demonstrated with an annually planted commodity on either end of the rotation, within the 12 year period ending in 2007 also meet cropping history requirement.

Adjusted Gross Income (AGI) requirements pertain to all new contracts, and provide that only those persons with nonfarm AGI of less than \$1 million, or those with farm income making up a minimum of 66% of total AGI are eligible to receive contract benefits. AGI determinations are made on CRP contracts in the year of the contract approval, and are considered binding for the duration of the contract.

Offers will be ranked for acceptance through a nationwide process using an Environmental Benefit Index (EBI) scoring process. The EBI awards points for items including cover type, soil erodibility, water quality, and wildlife benefits associated with the offer. Points are also awarded for the cost of each offer. Once a national EBI cutoff score is established, those offers above the cutoff are offered contracts, up to the County maximum limit of 25% cropland. There will be approximately 29,000 acres of land eligible for acceptance into CRP in Adams County under this signup. Therefore, the EBI cutoff within the County potentially may be higher than the national EBI cutoff level. Specific details of the EBI scoring system will be available by contacting the County Office prior to signup.

Maximum rental values for each offer are based on the productivity of the three predominant types of soils in each offer. Soil rental values for the general signup have been revised to reflect average cash rental values for the most recent three year period. Generally speaking, this change has led to small increases in soil rental values across most soil types. However, unlike prior years, a maintenance rate will not be added to the soil rental rates to determine the maximum payment rate. Bidding to enroll land at less than the maximum soil rental rate earns additional points under the EBI scoring system.

Midterm management will be required on all new contracts, requiring a planned activity to enhance permanent cover during the middle three years of the contract. Activities can include harrowing, mowing, certain chemical applications, inter-seeding, fertilization, or other treatments.

For newly enrolled cropland, and for existing grassland in need of cover reestablishment, cost share will be available for 50% of the cost of necessary actions.

CRP Informational Meeting Scheduled

To help publicize the upcoming CRP general signup, a joint informational meeting has been scheduled with the Franklin County FSA staff to best use limited staff time. Also, to save your limited time during harvest, the meeting will be scheduled in the early morning, on Thursday, August 5, 2010, at 7:30 a.m. in Connell at the Connell Community Center, 211 East Elm St.

For those not familiar with Connell, it is on the East side of Columbia Avenue (the main North-South street in town) and in the southern half of town. Topics will include covering all the eligibility requirements for the upcoming signup, changes for the upcoming signup to the Environmental Benefit Index scoring system, as well as information on the new Transition Incentive Program targeting the transition of CRP lands to beginning farmer. Please plan to attend this informational meeting if you will participate in the CRP general signup. For more specific driving instructions, please call the Pasco FSA office at 509-545-8543.

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.

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
Nancy Segar FLO

Contact at (509) 754-2463

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COC Election Notice

The deadline for submitting nominations for persons to serve on the County Committee is fast approaching. Nominating petitions may be submitted by any person with farming interests either as an owner, or operator, within the Local Administrative Area (LAA) up for election. This year, the election is for a member of LAA #3, which represents the southern 1/3 of Adams County, divided on the North by Providence Road, extended to the Whitman County line, and on the East, South and West by the Adams County boundary. Nominating petitions must be submitted to the County office, or postmarked not later than August 2, 2010 to be considered valid. For more information or a copy of a nominating petition, please contact our office.

ACRE Payment Rates for Wheat and Barley Announced

The 2009 marketing year is completed and final prices and yields have been announced for use with the Average Crop Revenue (ACRE) program. The final Washington State yield for wheat was 54.9 bushels per acre compared to the 5 year state average of 61.0 bushels per acre; final Washington state barley yield was 64.0 bushels compared to a 61.0 bushel five year state average. 2009 market year price averages were established at \$4.87 per bushel for wheat and \$2.61 per acre for barley, compared with two year average prices of \$6.61 (wheat) and \$ 4.09 (barley). This means that the state revenue trigger was met for both barley and wheat in Washington State in 2009.

The second criteria for determining ACRE payment eligibility is to determine if farm level trigger is met by inserting individual farm yields and five year historic yields into the calculation, replacing state yields. If farm level trigger is also met for the farm, ACRE payments are due.

Based on the above averages, if farm trigger is also met, wheat ACRE payments will be calculated by taking \$91.00 per acre (for wheat) or \$56.14 per acre (for barley), times 83.3% of the farm planted acreage for each crop, not to exceed total farm base acres, times the factor determined by dividing historic farm yield by the state benchmark yield. ACRE payments are issued in October, and are subject to separate payment limitation of \$65,000 per person, plus any payment limitation amount reduced from direct limitation due to ACRE enrollment.

2010 Loan Program Details

2010 County loan rates have been announced for crops stored in Adams County. Loan rates for those farms participating in the ACRE program are reduced by 30% from this base amount.

Soft White Wheat	\$3.31/bu.	Hard Red Spring (dns) Wheat	\$ 4.27/bu.
Hard Red Winter Wheat	\$ 3.10/bu.	Barley	\$ 2.16/bu.
Oats	\$ 1.37/bu.	Corn	\$ 2.32/bu.

Commodity loans on grain grading above sample grade are made as 9 month nonrecourse loans, and may be repaid at the lesser of principal plus interest, or the calculated market repayment price at any point during their term. Grain may also be forfeited at loan maturity in satisfaction of loan amount, subject to adjustments in value due to quality. Any reductions in quality from the original loan amount are the responsibility of the borrower. Loans become due on the last day of the 9th month, after the month of disbursement.

Interest rates for July are 1.375%. Loan fees are \$45 per loan, and an additional \$3 per bin in excess of one, or warehouse receipt in excess of one for the loan. Lien searches are required to be conducted prior to issuance of loans, and lien waivers may be required of persons with security interest in the commodity, to ensure that CCC security interests are protected.

Measurement service is available for farm stored commodities where you are unsure of the volume of grain stored. Loans are available on up to 100% of the amount of commodity measured or certified, or for warehouse stored loans, for 100% of the amount receipted. Measurement service rates are set by the Washington State FSA Committee at a level to recoup actual costs of the service, and for 2010 include a basic rate on all requests of \$30, with an additional \$16 per hour for time spent with completion of the request, based on a minimum time of one hour. All requests for measurement service must be paid in advance.

IMPORTANT SURE INFORMATION!

2008 SURE Disaster deadline will be announced soon; if you still need to apply contact our office immediately to be considered.