



January 2009

# CHELAN & DOUGLAS FSA NEWS

## Chelan County FSA

215 Melody Lane  
Wenatchee, WA 98801  
Phone (509) 664-9385

## Douglas County FSA

PO Box 489  
Waterville, WA 98858-0489  
Phone (509) 745-8561  
Fax (509) 745-8758

## Office Hours

Monday – Friday  
8:00 AM – 4:30 PM

## Chelan

### County Committee

Richard Smithson  
Kelly Riedinger  
William Clark  
Raul Sanchez, Advisor

## Douglas

### County Committee

Rodney Peterson  
Randy Mittelstaedt  
Norman Cavadini  
Terri Brandt, Advisor  
Jesus Limon, Advisor

## Office Staffs

Michel Ruud, CED  
Mike Cada, FLM  
Bill Henry  
Anita Perez  
Dawn Peaslee  
Lori Tabler  
Sherry Ramin  
Janice Badten  
Paul Daling

## Next COC Meeting

January 20 – Douglas  
9:00 a.m.

January 21 – Chelan  
9:00 a.m.

## Website Addresses:

<http://www.usda.gov>  
<http://www.fsa.usda.gov>  
<http://www.fsa.usda.gov/wa>



## CHELAN COUNTY OFFICE HAS MOVED

The Chelan County FSA Office has moved out of the Federal Building on Yakima Street. We are now located at **215 Melody Lane in Wenatchee**, the Forest Service Building. Our new telephone number is **(509) 664-9385**. Our fax machine is currently not on-line yet, however you can temporarily send us a fax at (509) 664-9280. When you visit our new office, enter at the building's main entrance. There is plenty of parking! You will be asked to sign in at the front desk and be given a temporary visitors pass. They will contact us to come escort you to our office. Thank you for your patience through the unpacking process. We hope to have all systems operational very soon!

## PUBLIC MEETINGS ON FARM BILL PROVISIONS FOR DCP AND ACRE

Three public meetings will be held to explain the new farm bill provisions for the Direct and Counter-Cyclical and Average Crop Revenue Election Programs. Other changes regarding payment eligibility will also be discussed. Please plan on attending one of the following meetings:

**Tuesday, January 27**, 9:00 a.m. to 12:00 p.m. – St. Andrews, Grange Hall

**Tuesday, January 27**, 1:30 p.m. to 4:30 p.m. – Mansfield, Grange Hall

**Thursday, January 29**, 9:00 a.m. to 12:00 p.m. – Waterville, NCW District Fair  
(Community Hall)

Persons with disabilities who require accommodations to attend or participate in any meeting, event or function should contact the county office. FSA is committed to making programs accessible to all customers.

## DIRECT AND COUNTER-CYCLICAL PROGRAM 2009 SIGN-UP

Sign-up has begun for the 2009 crop year DCP and runs through June 1, 2009. Current regulations no longer provide for a "late-filed" sign-up period or fee. DCP contracts not having all required signatures of producers having more than a zero share of contract acreage on or before June 1, 2009 will **not** be considered filed and will **not** be approved. This is a change from previous years. Each eligible producer on a farm will be given the opportunity to annually enroll in a DCP or Average Crop Revenue Election (ACRE) Program contract and receive payments determined to be fair and equitable as agreed to by all the producers on the farm and approved by the County FSA Committee. The ACRE program is explained further on in this newsletter.

Direct payments for each covered commodity will be computed by multiplying 83.3% of the base acres, times the commodity's program payment yield, times the payment rate, times the producer's share. A 22% advance payment will be issued as soon as practicable. You may sign-up for DCP and later choose to enter the ACRE program, enrolling in only one or the other.

Counter-cyclical (CC) payments, if any, for each covered commodity will be computed by multiplying 85% of the covered commodity's base acres, times the program payment yield, times the payment rate, times the producer's share. CC payments are authorized when the effective price for the commodity is less than the target price. Partial CC payments may be offered if the Secretary of Agriculture estimates that a CC payment will be required. At this time, that decision has not yet been made.

Changes that may affect any determination on the DCP contract (ownership, operator, etc.) after the contract is timely signed by June 1, 2009, shall be reported no later than September 30, 2009. Please contact our office with your questions or to make an appointment to sign up. New payment limitation and adjusted gross revenue limits are applicable beginning with 2009 DCP. New eligibility forms are required for this program, therefore sign-up will take longer than it has in the past.

## COUNTY COMMITTEE ELECTIONS

The County Committee (COC) elections for Chelan and Douglas Counties have been completed. William Clark of Chelan and Rodney Peterson of Waterville were each elected to represent their respective local administrative areas and counties. They assumed their committee duties on January 1, 2009. Both will serve a three-year term.

William Clark was elected to the Chelan COC. His alternate will be Edna Stocker. In Douglas County, Rodney Peterson was re-elected. Terry Ludeman will serve as the alternates to Mr. Peterson. Alternates serve in the absence of the elected committee member. Thank you to all who took the time to vote! The COC is your voice in USDA programs.

We would like to offer a special “thank you” to Phyllis Gleasman, who severed her final three-year term on the Chelan County Committee. Phyllis was a great asset, given her wealth of knowledge in the apple industry. She will be missed!

## AVERAGE CROP REVENUE ELECTION

The new Average Crop Revenue Election (ACRE) program provides a revenue alternative to DCP. ACRE is similar to DCP in that it provides a direct payment and has a counter-cyclical component, called the ACRE payment. However, for ACRE participants, direct payments are reduced by 20 percent. Also, the producer's marketing assistance loan rate is reduced by 30 percent. The ACRE payment is made on planted acres and actual yields, not on base acres and yields. Producers will need to submit five years of production data and annual production records.

A farm must pass two triggers - a state trigger and a farm trigger - before an ACRE payment is issued. The formulae for meeting the state and farm triggers are complex. FSA hopes to have an online calculator that producers can use to evaluate ACRE for their own operations. FSA is unable to endorse an online calculator until the final program rules are written.

If both the state and farm trigger are met, an ACRE payment is made. The payment will be the lesser of (the farm's total base acres or 83.3 percent of acres planted) times the farm's expected yield divided by the state benchmark yield times the lesser of (the state ACRE guarantee minus the actual state revenue, or 25 percent of the state ACRE guarantee). In 2012, the percentage changes from 83.3 to 85 percent. The combined payment limitation for ACRE and DCP counter-cyclical payments is the sum of \$65,000 and the amount by which the direct payment limitation is reduced for the 20 percent reduction.

### **Once a producer elects ACRE, his only option for the duration of the Farm Bill is to participate in ACRE.**

Producers may choose DCP for one farm and ACRE for another. All owners and operators on a farm must make a one-time ACRE election in order to annually enroll in the program. During the first contract year in which ACRE is elected, producers have until June 1 to reverse the election. After June 1 of the contract year of ACRE election, the election cannot be revoked, and the farm will remain under ACRE for the remainder of the Farm Bill, regardless of operator or owner changes. FSA has not yet announced a signup date for ACRE.

Se habla español en esta oficina de FSA. Si quiere informacion tocante a los programas de crédito, conservacion y otros programas que se administran en esta oficina, por favor visite o llame la oficina de FSA. El número de teléfono es (509) 664-9385 en el condado de Chelan. La dirección se encuentra al frente.