



July 2010

CHELAN & DOUGLAS FSA NEWS

CRP GENERAL SIGN-UP

The Secretary of Agriculture recently announced there will be a general sign-up for producers interested in enrolling land into the Conservation Reserve Program. Dates for the sign-up have been set for August 2, 2010 through August 27, 2010. Offers selected for contract will be enrolled with an effective date of October 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 September 30, 2010. Within Washington State, CPA designations have been made for certain wildlife areas, for air and water quality. These areas have changed since the last general CRP sign-up. For those with questions about the location of their land in relation to the CPA, the CPA maps will be available for review at the FSA office prior to sign-up.

Land must also meet the cropping history requirement. 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 enrolled in CRP or expired contract acreage where the cover has continued to be maintained.

Adjusted Gross Income (AGI) requirements pertain to all new contracts. 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 contract approval, and are effective for the duration of the contract term.

Offers will be ranked for acceptance through a nationwide process using an Environmental Benefit Index (EBI) ranking 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 cropland limit of 25%. In the past, Douglas County had a waiver to exceed this limitation. Those provisions no longer apply. Therefore, only approximately 25,000 acres of land eligible can be accepted into general CRP in Douglas County under this sign-up. Because of this fact, the EBI cutoff within Douglas County could 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 sign-up. The cropland limitation is not an issue in Chelan County.

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 sign-up have been revised to reflect average cash rental values for the most recent three year period. Generally speaking, this change has led to small decreases 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 the 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 at 50% of the cost of the necessary actions.

Appointments can be scheduled by contacting our office. This is **not** a first-come-first-serve sign-up.

Chelan County FSA
(Remember – we’ve moved!)
215 Melody Lane
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PO Box 489
Waterville, WA 98858-0489
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Fax (509) 745-8758

Office Hours
Monday – Friday
8:00 AM – 4:30 PM

**Chelan
County Committee**
William Clark, Chairman
Kelly Riedinger, Vice-Chair
Richard Smithson, Member
Raul Sanchez, Advisor

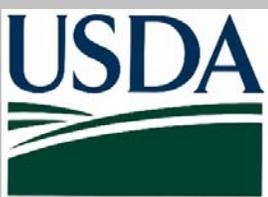
**Douglas
County Committee**
Norman Cavadini, Chairman
Rodney Peterson, Vice-Chair
Randy Mittelstaedt, Member
Terri Brandt, Advisor
Porfirio Covarrubias, Advisor

Office Staffs
Michel Ruud, CED
Mike Cada, FLM
Bill Henry
Anita Perez
Dawn Peaslee
Lori Tabler
Sherry Ramin
Janice Badten
Chad Hoyt

Next COC Meeting
September 14 – Douglas
9:00 a.m.

August 19 – Chelan
9:00 a.m.

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



SURE SIGN-UP REMINDER

FSA is anticipating the sign-up period for the Supplemental Revenue Assistance Payments Program (SURE) for crop losses in 2008 **may close soon**. Eligible producers should contact our office and apply for benefits as soon as possible to ensure payment eligibility. The SURE program provides benefits for farm losses due to natural disasters. A farmer or rancher is eligible for the program when a disaster designation has been made for their county or when their actual production is less than half of the normal established production. Commodities are only eligible for payment when **all crops in all counties**, are covered by federal crop insurance or non-insured crop disaster assistance program policies. For SURE purposes, a farm consists of all land and all crops in all counties where a producer has an interest. One application will be filed which includes all lands/crops. A fact sheet with more detailed information and a potential payment calculator are available on the FSA website at <http://www.fsa.usda.gov>. For more information, please contact us.

MAINTAINING ELIGIBILITY FOR DISASTER ASSISTANCE

USDA's Spokane Risk Management Agency (RMA) Office reminds producers of the important link between Federal crop insurance and FSA's Supplemental Agricultural Disaster Assistance programs including the new SURE program. To maintain eligibility for most supplemental disaster programs producers must obtain a policy or plan of insurance of at least the catastrophic level (CAT) of insurance for the crop year 2011. **Note:** the more crop insurance coverage a producer has, the more the SURE guarantee will be. For those crops that are non-insurable, coverage under the Noninsured Crop Disaster Assistance Program (NAP) must also be timely obtained. Therefore, producers with fall planted commodities need to be making important crop insurance decisions for the 2011 crop year. Producers are encouraged to contact their local FSA office and visit with a crop insurance agent (a list of agents is available at all USDA Service Centers) to fully understand what crop insurance programs are available in the county and to ensure they are obtaining adequate coverage for eligibility. **The next round of sales closing dates for Federal crop insurance are:**

August 31: Canola and other fall planted crops not listed below.

September 30: Barley with winter coverage, Dry Peas with winter coverage, Forage Production, Honey and Wheat.

November 20: All Fruit Crops.

A 2011 Multi-Peril Crop Availability Listing by county is posted on Risk Management's website, http://www.rma.usda.gov/aboutrma/fields/wa_rso/. Producers are encouraged to contact their local agent for additional details. In addition to USDA Service Centers, a listing of crop/livestock agents is also available at, (<http://www3.rma.usda.gov/tools/agents>).

2010 COMMODITY LOANS AVAILABLE

Commodity Credit Corporation (CCC) loans are available on 2010 crop wheat, feed grains, oilseeds, pulse crops, honey, wool and mohair. CCC loans provide producers interim financing while being able to hold crops for sale later in the marketing season. The July 2010 interest rate is 1.375 percent. Producers may obtain loans on grain that is farm stored, or residing in a Federal or State licensed warehouse. Producers may request measurement service from the County FSA Office, or certify to the quantity in the bins by measuring the bins themselves. Warehouse loans may be requested by submitting a negotiable warehouse receipt to the County FSA Office. Please remember that if you are participating in ACRE, the applicable crop's loan rate is reduced by 30 percent. Please contact us for loan rates, if you have any questions or are interested in obtaining a loan.

PAYMENT LIMITATION AND ELIGIBILITY

Producers participating in certain FSA programs are subject to limitations on the total annual payments that can be received. Under the 2008 Farm Bill, payments are limited by direct attribution. The maximum amount persons or entities can receive per year are: Direct payments - \$40,000; Counter-Cyclical (CC)/ACRE payments - \$65,000; SURE, LFP, LIP, and ELAP - \$100,000 combined; TAP - \$100,000; NAP - \$100,000; CRP and CREP rental/incentive payments - \$50,000; GRP - \$50,000; LDP and market loan gains - unlimited. With ACRE participation, the direct payment limitation will reflect a 20% direct payment reduction. The DCP CC/ACRE payment limitation will then be increased by the direct payment reduction amount.

The following provisions apply to certain programs: actively engaged in farming, cash rent tenant, foreign person, and average adjusted gross income (AGI). No program benefits will be provided until all required forms are filed and determinations are complete. Producers determined not actively engaged in farming are ineligible for any payment which requires such a determination. All payment eligibility forms are subject to spot check through the end-of-year review process. If any changes occur that could affect the determinations, producers must timely notify the County Office by filing revised forms and applicable supporting documentation.