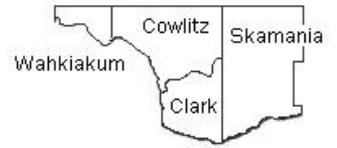




April 2009

Lower Columbia Area FSA NEWS



Lower Columbia Area Farm Service Agency

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Brush Prairie, WA 98606
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(360) 885-2284

Office Hours

Monday – Friday
8:00 AM – 4:30 PM

County Committee

Representing the following counties:

CLARK:

Gary Boldt, Member
Carol Hoffman, Minority Advisor

CLARK/COWLITZ:

George Thoeny, Vice Chair
Ray Table, Alternate

COWLITZ:

Joe Shulke, Member

SKAMANIA:

Ken Bajema, Member

WAHKIAKUM:

Gordon Calvert, Member

Office Staff

Taylor Murray
County Executive Director
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Wes Taylor
Program Technician

Next COC Meeting

April 30, 2009

FSA Web Sites

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

National- <http://www.fsa.usda.gov>



This newsletter can also be accessed on the web at: <http://www.fsa.usda.gov/FSA/>
From the top green menu bar, Click "State Offices", click on Washington State on the map, and then click "newsletters" in the Browse by subject box.

2009 Emergency Conservation Program (ECP) Sign-up Announcement

Financial Assistance is available for farmers and ranchers who have debris to remove or conservation practices to repair as a result of the January 2009 flooding that affected Cowlitz and Wahkiakum Counties. The Farm Service Agency has allocated funding for ECP in Washington to help producers recover from this storm damage. Eligible producers will receive cost-share assistance of up to 75 percent of the cost of the approved practice, as determined by the FSA Area Committee.

The sign-up period for ECP for the Lower Columbia Area, including the counties of Cowlitz and Wahkiakum, will begin on April 6, 2009 and applications will be accepted through May 8, 2009.

Some of the practices the ECP Program is designed to assist producers with are as follows: to provide resources to remove debris from farmland; restore fences and conservation structures; and grade, shape and reseed farmland damaged by the natural disaster.

For a producer's land to be eligible, the disaster must create new conservation problems that, if untreated, would impair or endanger the land and affect its productive capacity. Conservation problems existing prior to the applicable disaster are ineligible for ECP assistance. More information on ECP and other disaster assistance programs is available at the local FSA office in Brush Prairie, by telephone at (360) 883-1987 ext. 2 or on the web at <http://www.fsa.usda.gov/wa>.

CREP and Continuous CRP Available

At this time USDA has no general signups scheduled for the Conservation Reserve Program (CRP) in 2009. However, environmentally sensitive acreage qualifying for the Conservation Reserve Enhancement Program (CREP), and Continuous CRP will still be eligible for enrollment. These targeted programs remain funded, and continue to provide a heightened environmental benefit on select areas.

NAP (Noninsured Assistance Program)

Producers are reminded about the need for insurance coverage on crops in order to remain eligible for the agency's Disaster Assistance Programs such as SURE, LFP, TAP, and ELAP. Producers must purchase at least catastrophic (CAT) level of insurance for all insurable crops.

NAP is a federally funded program that provides coverage to producers for non-insurable crops when low yields, loss of inventory or prevented planting occurs due to natural disasters. Crops eligible for NAP coverage are those for which crop insurance is not available, including fruits and vegetables, aquaculture, pecans, turf grass and forage crops just to name a few.

Producers must apply for coverage before a disaster strikes.

More information about NAP may be found on the FSA web site located at <http://www.fsa.usda.gov>

Deadline Extended for 2008 Disaster Program Buy-In

Producers who did not obtain crop insurance or Non-insured Crop Disaster Assistance Program (NAP) coverage for 2008 can pay a buy-in fee through May 18, 2009, to become eligible for 2008 disaster assistance programs authorized by the 2008 Farm Bill. These include: Supplemental Revenue Assistance Program (SURE), Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish (ELAP), and the Tree Assistance Program (TAP).

The following steps must be taken to take advantage of the buy-in option:

- Pay a \$100 "buy-in" fee per crop. The maximum fee is \$300 per county, per producer, not to exceed \$900 for multi-county producers. Producers who meet the definition of "Socially Disadvantaged, Limited Resource," or "Beginning Farmer or Rancher," are not required to pay the buy-in fee.
- In the case of each insurable crop, excluding grazing land, agree to obtain a policy or plan of insurance for the next insurance year for which crop insurance is available; coverage level should equal 70 percent or more of the yield at 100 percent of the price.
- In the case of each non-insurable crop, agree to file the required paperwork and pay the applicable administrative NAP coverage fee by the applicable state application closing date for the next available year.

Producers who buy in will not be eligible for actual crop insurance or NAP benefits for the 2008 crop. The buy-in option enables producers to meet the eligibility requirement for the new disaster assistance programs. The SURE program payments differ based on the level of crop insurance or NAP coverage purchased. The buy-in results in the eligibility for a SURE payment based on 70 percent of the crop yield.

2009 DCP and ACRE Enrollment Deadlines Extended

The USDA has extended the deadline from June 1, to August 14, 2009 to sign-up for both the Direct and Counter-cyclical Payment Program (DCP) and the forthcoming Average Crop Revenue Election (ACRE) program. This action extends the sign-up deadline by 10 weeks to give producers ample time to decide whether to participate in ACRE or remain in DCP. Sign-up for DCP is currently under way, while ACRE sign-up is expected to begin in late April.

Stimulus Funding for Farm Loan Program Loans

As part of the recently approved economic stimulus package, FSA's Farm Loan Programs (FLP) is scheduled to receive an extra \$173 million in funding for the direct operating loan (OL) program. Many states have a current backlog of approved OL loans waiting for funding. As of February 23, the backlog stood at 1,039 loans valued at more than \$72 million. Producers' financial needs have increased significantly with the elevated costs of production inputs and the downturn in the agricultural economy. This growing need, coupled with FLP's successful marketing efforts, has generated increased demand for FSA OL loans as well as farm ownership loans.

Livestock Indemnity Program

The Livestock Indemnity Program (LIP) is designed to compensate producers for livestock death losses in excess of normal mortality rates due to adverse weather that occurred on or after January 1, 2008, and before October 1, 2011. Producers who had livestock deaths due to adverse weather conditions should document these losses as to the kind, weight range, number of livestock, and the date the animals were lost. Producers must have proof of death of livestock by the following means:

- Rendering truck receipts or certificates
- Veterinary records
- Dairy herd improvement records
- Third-party verification

At this time, the forms and procedure for taking loss applications are not yet available at your county FSA office. Maintaining records of your losses is important in order to be eligible if program funding becomes available.

Dairy Prices Trigger MILC Payments

Due to low milk prices FSA will be making payments in April to producers through the FSA's Milk Income Loss Contract, or MILC, program. The 2008 Farm Bill made changes to the MILC program, most notably the addition of a dairy feed ration cost adjustment in addition to changes to the payment rate and modifications to the per-operation poundage limit, depending on when the milk is produced.

FSA makes MILC payments on a monthly basis when the Boston Class I milk price falls below \$16.94 per hundredweight (cwt) as adjusted for feed costs. The monthly Boston price is posted online at: http://www.fmmone.com/Northeast_Order_Prices/NE_Prices_mainnew.htm#Advance. FSA determines the per hundredweight payment rate for the applicable month by subtracting the Boston Class I price for that month from the \$16.94 MILC payment trigger price, and multiplying the difference by 45 percent. The payment factor of 45 percent will decline to 34 percent on September 1, 2012.

FSA issues payments not later than 60 calendar days after FSA receives production evidence for the applicable month or the entire month's National Average Dairy Feed Ration Cost is posted for the applicable month, whichever is later.

FSA makes payments on up to the maximum eligible pounds of milk produced and marketed by each operation per fiscal year. The annual maximum eligible pound limit per dairy operation is 2,985,000 pounds per fiscal year. The amount drops to 2.4 million pounds per fiscal year on September 1, 2012.

MILC participants must select a month for which FSA will begin issuing payments for each fiscal year. Starting with the dairy operation's selected month, FSA will issue MILC payments based on that month's milk production and the milk production for each consecutive month thereafter with the effective payment rate until the operation reaches the production cap or the fiscal year ends.

The 2008 Farm Bill also excludes producers whose non-farm average adjusted gross income (AGI) exceeds \$500,000 from receiving MILC payments. Producers will have to sign an AGI statement when signing up for the program. More information about the MILC program can be found on the FSA website <http://www.fsa.usda.gov>.