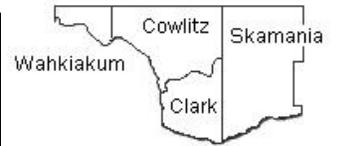




January 2010

Lower Columbia Area FSA NEWS



Lower Columbia Area Farm Service Agency

11104 NE 149th Street, C-500
Brush Prairie, WA 98606
(360) 883-1987 ext 2
(360) 885-2284 - fax

Office Hours

Monday – Friday
8:00 AM – 4:30 PM

Area Committee Representing the following counties:

CLARK (LAA #2):

Gary Boldt
Carol Hoffman, Committee
Advisor

CLARK/COWLITZ (LAA #1):

George Thoeny
Raymond Table, Alternate

COWLITZ (LAA #5):

Joe Shulke

SKAMANIA (LAA #3):

Ken Bajema

WAHKIAKUM (LAA#4):

Gordon Calvert

Office Staff

Taylor Murray
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Wes Taylor
Program Technician

Next COC Meeting

January 28, 2010

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.

FSA County Committee Election update.

Thanks to everyone who voted in the recent Lower Columbia Area Committee elections. Ballots were counted on December 10, 2009 in the Brush Prairie Service Center. FSA Committee's are a unique arrangement that allow local guidance for federal farm programs. Committee members are a critical component in ensuring that FSA agricultural programs serve the needs of local producers.

A total of 319 votes were cast for both Local Administrative Area positions whose terms expired December 31, 2009.

- ***Gary Boldt was re-elected*** to represent LAA #2 which encompasses the eastern section of Clark County delineated north to south by I-5, NE 10th Avenue., and NE 12th Avenue.
- ***Joe Shulke was re-elected*** to represent LAA #5 which encompasses Cowlitz County excluding the portion of Cowlitz south of I-5 commonly known as the Woodland Bottoms area.

SURE Signup

Signup for the 2008 Supplemental Revenue Assistance Payments program (SURE) began on January 4, 2010. This signup period is for those who suffered crop production losses during crop year 2008.

SURE provides crop disaster assistance payments to eligible producers on farms that have incurred crop production or crop quality losses. The program takes into consideration crop losses on all crops grown by a producer nationwide. SURE provides assistance in an amount equal to 60 percent of the difference between the SURE farm guarantee and total farm revenue. The farm guarantee is based on the amount of crop insurance and Non-insured Crop Disaster Assistance Program (NAP) coverage on the farm. Total farm revenue takes into account the actual value of production on the farm as well as insurance indemnities and certain farm program payments.

Producers with a farming interest physically located in a county that was declared a primary disaster county or contiguous county by the Agriculture Secretary must have suffered at least a 10 percent production loss on a crop of economic significance. Producers must meet the risk management purchase requirement by either obtaining a policy or plan of insurance, under the Federal Crop Insurance Act or NAP coverage, for all economically significant crops. For 2008 crops, producers had the opportunity to obtain a waiver of the risk management purchase requirement through a buy-in provision. Producers considered socially disadvantaged, a beginning farmer or

rancher, or a limited resource farmer may be eligible for SURE without a policy or plan of insurance or NAP coverage.

If there is no Secretarial Disaster Designation, individual producers may also be eligible for SURE if the actual production on the farm is less than 50 percent of the normal production on the farm due to a natural disaster. For SURE, a farm is defined as all crops in which a producer had an interest nationwide.

For more information on the new SURE program, please visit the county office or <http://www.fsa.usda.gov>.

USDA Streamlines Payment Limits to Enhance Program Integrity

Beginning in January, 2010, the Farm Service Agency (FSA) and Natural Resources Conservation Service (NRCS) will provide producers with consent forms they voluntarily complete and submit to IRS. These forms authorize IRS to disclose a very limited amount of information to USDA for 2009 and 2010 average adjusted gross income (AGI) compliance purposes. Producers must submit the applicable form to IRS, authorizing the review, in order to retain 2009 and future payments subject to current AGI requirements. The form must be mailed to the IRS within 60 days of signing the form. FSA cannot accept the consent forms.

Two consent forms, one for individuals (CCC-927) and one for legal entities (CCC-928) will be used. Every individual or entity who was required to file form CCC-926, Average Adjusted Gross Income Statement, must file the applicable consent form.

IRS will provide FSA and NRCS with a report, indicating whether or not producers met the statutory AGI limits. No actual tax data will be included in the report that IRS sends to USDA.

Producers whose average AGI appears to exceed statutory limitations will be notified by letter and provided an opportunity to submit a third party verification from a certified public accountant or attorney that demonstrates AGI limits have not been exceeded. Producers will be given 30 days to submit this verification to the Washington State FSA Office. Non-compliant participants will be required to refund applicable program payments.

The purpose of the agreement is to reduce fraud in farm programs and streamline payment limits for family farmers. The actions are intended to strengthen the integrity and defensibility of USDA farm safety net programs. This agreement will ensure that payments are not issued to producers whose adjusted gross income (AGI) exceeds limits set in the 2008 Farm Bill. The limits are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct

**USDA's National
Agricultural Statistics
Service (NASS) is
conducting an Agricultural
Resource Management
Survey (ARMS)**

About 1,600 Washington producers are being asked to participate in the Agricultural Resource Management Survey (ARMS), conducted by USDA's National Agricultural Statistics Service (NASS). This survey gives farmers and ranchers an opportunity to provide accurate, real-world data that will help shape the policies, programs and issues that affect them. ARMS is USDA's primary source of information on the production practices, resource use and economic well-being of America's farm operations and farm households.

The survey will be conducted between January and April. Producers will either receive a form in the mail, or be contacted by a NASS representative. They will be asked to provide data on their farm operating costs, capital improvements, assets and debts for agricultural production, as well as farm-related income, off-farm income and operator and household characteristics for the previous year. Additionally, organic wheat growers will be asked to provide information about their certified organic wheat marketing, sales and prices.

The information provided by survey respondents is confidential by law. NASS cannot share reported data with the Farm Service Agency or any other government agency.

Producers with questions may contact NASS's Washington Field Office at 800-435-5883.

payments; and \$1 million nonfarm average AGI for conservation programs.

Consent forms can be obtained at the local USDA Service Center or online at <http://forms.sc.egov.usda.gov>.

Payments and Tax Reporting - Check Your Statement

As you may know, FSA experienced a number of software issues in disbursing 2009 CRP and DCP/ACRE payments. Near the end of January, our Kansas City office will be issuing your CCC-1099G form with the 2009 payment data that will be reported to the IRS. It is very important this year that you closely review this document to ensure it accurately reflects the payments you received in 2009. If it does not, or if you have any questions about the data, please contact our office. We will assist you to confirm the data or obtain a corrected CCC-1099G. Also keep in mind that this form does not include any refunds you may have made to FSA in 2009. That data must be obtained directly from our office. We appreciate your patience and understanding as the agency implements our new payment system. Please contact us with any questions about your payments or tax statement.

Power of Attorney

For those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., FSA has a power of attorney form available that enables you to designate another person to conduct your business at the office. If you are interested, please contact our office or any Farm Service Agency office near you for more information.

Bank Account Changes

Current policy mandates that FSA payments be electronically transferred into your bank account. In order for timely payments to be made, producers need to notify the FSA county office if your account has been changed or if another financial institution purchases your bank. Payments can be delayed if the FSA

office is not aware of updates to your account and routing numbers.

Customer Statement

January signals the beginning of a new year, and a time to starting thinking about filing taxes. Producers who have signed up for a USDA eAuthentication Level 2 account will be able to access their farm data via their Customer Statement.

The Customer Statement puts a range of USDA services and programs into a single report that's at your fingertips and available online, 24 hours a day, seven days a week.

It allows USDA customers to view their participation, application and payment status in various commodity and conservation programs; information on farm loans; and conservation plan and land unit information.

Actively Engaged Definition Changes

Beginning with the 2010 program year, FSA has amended the rules that govern the requirements to be 'actively engaged' in farming. These rules apply to eligibility for payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE) program.

FSA has implemented the following change to permit certain operations, most often family-run operations, to meet 'actively engaged' in farming requirements under less restrictive rules. Every stockholder or member of a legal entity, such as a corporation, does **not** have to contribute labor or management if both of the following apply:

- at least half of the interest in the legal entity is held by stockholders or members who are providing active personal labor or active personal management that altogether qualifies as a significant contribution to the farming operation;
- the members are collectively receiving, directly and indirectly, total payments that do not exceed \$40,000.

Please contact our office if you believe your operation is affected by this new exception.

LOANS AVAILABLE

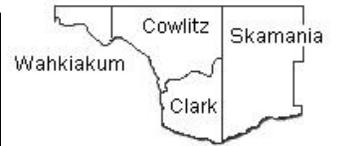
FSA has direct and guaranteed loan programs available for family-sized farm businesses. FSA's loan programs are designed to help farmers who are temporarily unable to obtain private commercial credit.



FARM SERVICE AGENCY

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