



January 2009

KLICKITAT COUNTY



Farm Service Agency

2008 DIRECT AND COUNTER-CYCLICAL PROGRAM SIGNUP STARTED

Signup for the 2009 Direct and Counter-Cyclical Program (DCP) began on December 22. For 2009, eligible producers may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. USDA will issue advance direct payments beginning Jan. 2009. Counter-cyclical payment rates vary depending on market prices. Counter-cyclical payments are issued only when the effective price for a commodity is below its target price. Deadline to sign up for DCP is June 1, 2009. FSA will not accept any late filed applications. Please call and make an appointment to sign up.

AVERAGE CROP REVENUE ELECTION PROGRAM COMING

Producers who are eligible for the DCP Program will also be eligible to enroll in the Average Crop Revenue Election (ACRE) Program. The enrollment period for the ACRE Program will begin in the spring. Producers may first enroll in the DCP Program, elect to receive advance direct payments and then later modify their enrollment to include the ACRE program or they may wait and elect to enroll in DCP and ACRE at the same time in spring 2009.

A farm's payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year national price for each eligible commodity. For the 2009 crop, the 2-year price average will be based on the 2007 and 2008 crop years.

An ACRE payment is issued when both the State and the farm have incurred a revenue loss. The payment is based on 83.3 percent of the farm's planted acres times the difference between the State ACRE guarantee and the State revenue times the ratio of the farm's expected yield divided by the State expected yield. The total number of planted acres for which a producer may receive ACRE payments may not exceed the total base on the farm. In exchange for participating in ACRE, in addition to not receiving counter-cyclical payments, a farm's direct payment is reduced by 20 percent, and marketing assistance loan rates are reduced by 30 percent.

The decision to enroll in the ACRE Program is irrevocable. The owner of the farm and all producers on the farm must agree to enroll in ACRE. Once enrolled, the farm shall be enrolled for that initial crop year and will remain in ACRE through the 2012 crop year

Commodity	Units	Target Price	Direct Payment Rate	Loan Rate	Minimum Effective Price	Maximum Counter-Cyclical Payment Rate
Wheat	\$/bu.	3.92	0.52	2.75	3.27	0.65
Barley	\$/bu.	2.24	0.24	1.85	2.09	0.15
Oats	\$/bu.	1.44	0.024	1.33	1.354	0.086

MILK INCOME LOSS CONTRACT PROGRAM SIGNUP BEGAN DEC 22

The Farm Service Agency announced that signup for the Milk Income Loss Contract Program (MILC) began on Dec 22 and will continue through Sept 30, 2012.

The 2008 Farm Bill reauthorizes the MILC Program, which operates similarly to the counter-cyclical payment program for crops, and makes three key changes in program operation. Under the 2008 Act, the MILC payment rate and the per-operation poundage limit are modified, depending on when the milk is produced. In addition, a "feed cost adjuster," is introduced over the life of the 2008 Act, which adjusts the \$16.94 per hundredweight (cwt.) benchmark price upward depending on the cost of feed rations. When available, MILC payments are based on a payment rate percentage that is multiplied by the difference between a now-flexible target (\$16.94 per cwt. or higher) and the specific month's Boston Class I price of milk.

Klickitat County FSA

1107 S Columbus Avenue
Goldendale, WA 98620-9296
(509) 773-5822
Fax (509) 773-6046

Office Hours

Monday – Friday
8:00 AM – 4:30 PM

County Committee

Kelly Kreps, Chair
Karl Enyeart, Vice-Chair
Susan Powers, Member

Office Staff

Virginia Klein, CED
Betty Fahlenkamp, PT
Norene Bartkowski, PT

Farm Loan Staff

Lisa Ruff, FLM
Crispin Garza, SCL
Scott Smith, FLO
Sandy Christensen, FLT

1606 Perry Street, Suite A
Yakima, WA 98902-5769
(509)454-5746

Next COC Meeting

January 28, 2009
9:00 AM

Dates to Remember

- June 1- DCP Deadline

FSA Web Sites

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



NEW PAYMENT ELIGIBILITY FORMS REQUIRED

A CCC-902, the Farm Operating Plan for Payment Eligibility Review form and Power of Attorney form FSA-211, are required when you apply for many FSA benefits including DCP, ACRE, and MILC. When signing, you certify that your farm operation is organized for the year as indicated on the form. CCC-902s are compared with actual operations to maintain program integrity. Although county staff can answer technical questions related to filling out the form, they are prohibited from giving advice on how to set up your operation. Spouses may be considered separate persons for payment limitation if this is requested and requirements are met.

REPORTING WEATHER DAMAGE

The county FSA office is asking for your help in assessing agricultural damage from any recent winter storms. USDA uses damage reports to determine a need for disaster declarations. Disaster declarations trigger availability of emergency loans and in some instances, additional disaster assistance programs. Damage reports are not limited to crops. They also include farmsteads farmland (through erosion) and livestock.

Helpful documentation includes the specific location of the farm damage, date and time of disaster event, type of disaster (i.e. snow, hail, wind, etc.), what was affected by the disaster and its estimated percent of loss. You are encouraged to take pictures of significant damage as both insurance agents and the FSA offices use these in support of future program applications and/or their cumulative damage reports.

COUNTY COMMITTEE ELECTION RESULTS

Karl Enyeart has been re-elected to be your representative for another 3 years as a member of the County Committee. Karl is the representative for central Klickitat Co where his family farms. Thanks to all who took the time to vote!

NEW POWER OF ATTORNEY FORMS

The 2008 Farm Bill has brought changes to our forms. We have new Power of Attorney forms (FSA 211) which will need to be signed by those granting POA before the grantee may sign any documents or contracts in some situations. Please contact us to be sure that you are up to date.

DIRECT DEPOSIT

As of December 4th, FSA is no longer making payments at the local office. Those who are receiving checks from our office may want to fill out a direct deposit form so as to receive your payment without delay. Checks will come from Kansas City and will take longer in the mail.

FOREIGN INVESTORS 90 DAY REPORTING RULE

Foreign owners of U.S. agricultural land are required by law to report your land holdings, acquisitions, leases of 10 years or more, and land use changes within 90 days of these transactions. Report these changes to the local FSA office. Failure to report these changes can result in a civil penalty of up to 25 percent of the fair market value of your interest in agricultural land.

CROP INSURANCE DEADLINES AND NAP

Please remember that the deadline to purchase crop insurance and NAP is approaching. The deadline for the purchase of crop insurance/NAP for spring wheat and barley is March 15th.

To apply for NAP coverage, there is an application fee of \$250 per crop with a \$750 cap per county. The maximum for multiple crops in more than one county is \$1875.

To be eligible for NAP benefits, production loss must be attributed to adverse weather conditions. Losses must be reported to FSA within 15 days after the adverse weather event or when the loss becomes evident.

