



NEWSLETTER



January 2012

Skagit-Island-San Juan County Farm Service

Agency

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Office Hours

Mon. – Fri. 8:00 a.m – 4:30 p.m.

County Committee

Len Engle, Chair
Mark Wesen, Vice-Chair
Todd Gordon, Member
M R Buffum, Member
Ernesto Roque, Member

Office Staff

Ellen Medeiros, PT, Acting CED
Susan King, PT

Next COC Meeting

January 24, 2012

Dates to Remember

January 23, 2012 - June 1, 2012

- DCP signup

February 20, 2012 – Office closed
in honor of Presidents Day

March 15, 2012-Deadline to
purchase NAP coverage for spring
seeded crops.

June 1, 2012 – 2010 SURE sign
up deadline

**More Information may be found
at <http://www.fsa.usda.gov/wa>.**

Sandra Starbuck, CED Retired December 30, 2011

Sandra Starbuck, County Executive Director for Skagit-Island-San Juan County FSA Office has taken a Voluntary Early Retirement effective December 30, 2012. Sandra has served the farming community in this area for the past 4 years. She has a total for 28 years of service with the Farm Service Agency serving in Montana and various locations in Washington State. She will be truly missed.

County Committee Election Results

Congratulations to Leonard (Len) C. Engle who was re-elected to represent producers from Whidbey/Camano Island on the FSA Skagit-Island-San Juan county committee.

Congratulations to Todd Gordon who was re-elected to represent producers from the Southwest portion of Skagit County south of Hwy 20 and west of I-5.

FSA appreciates all of the eligible voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

The committee members held their organizational meeting in December and determined that Len Engle will serve as the county committee chair and Mark Wesen, vice-chair.

New AGI Forms Required for 2012 Participants

FSA and NRCS program participants, including all members of participating entities, must meet certain Adjusted Gross Income (AGI) requirements to qualify for benefits. Starting for the 2012 crop year, a new AGI form has been developed that both reports whether an applicant or member meets the AGI requirements and authorizes the IRS to confirm that information for FSA.

The new form also reflects an additional AGI limitation applicable only to 2012 direct payments. In addition to the \$500,000 average nonfarm AGI and the \$750,000 average farm AGI limitation, a \$1 million average AGI limitation will be applicable for 2012 direct payments.

New this year, most power-of-attorney authorizations will not work for this form. The form will have to be signed by the participant or entity member themselves. IRS will not accept FSA power-of-attorney forms. These new AGI forms are available today from your county office or on the FSA internet site.

AGI - 2009 and 2010

Producers who receive another letter concerning Adjusted Gross Income (AGI) for 2009 and 2010 will need to complete the CCC-931 form enclosed with the letter. The completed form should be returned to the Farm Service Agency national office, as indicated in the letter.

2012 DCP/ACRE Sign-up

2012 Direct and Counter-Cyclical Program (DCP) enrollment begins January 23, 2012 and ends June 1, 2012.

IMPORTANT REMINDERS:

- All producers with a crop share interest on DCP base acres must have a share in direct and counter-cyclical payments.
- Changes on the farm before or after enrolling in DCP/ACRE must be immediately reported to the local FSA office. Examples: ownership changes, producer changes (individuals and entities, and change in crop shares arrangements.

No changes are allowed after September 30, 2012.

Crop Insurance Decisions 2012

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 2012. **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 need to be making important crop insurance decisions for the 2012 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:

January 31, 2012

Final date to obtain or change AGR insurance in select counties in Idaho, Oregon and Washington. Final date to submit required documents to continue or change 2011 AGR-Lite insurance for EXISTING POLICY HOLDERS in Alaska, Idaho, Oregon and Washington.

February 1, 2012

Final date to obtain or change crop insurance coverage for 2012 spring planted onions in Idaho, Oregon and Washington and Cabbage in Oregon and Washington.

March 15, 2012

Final date to obtain 2012 Adjusted Gross Revenue-Lite (AGR-Lite) insurance for NEW APPLICATION/ENROLLMENT POLICIES in Alaska, Idaho, Oregon and Washington.

March 15, 2012

Final date to obtain or change ALL OTHER spring seeded crop insurance coverage (excluding wheat in counties with Fall and Spring planted types).

Note: The Adjusted Gross Revenue-Lite program meets the linkage requirements for SURE. Also, if there is no crop insurance coverage in a county for a specific crop, and that crop is insurable in another county under the traditional Federal Crop Insurance Program, a producer may be eligible for crop insurance coverage under a written agreement. Interested producers should contact their local crop insurance agent for details.

A 2012 Multi-Peril Crop Availability Listing by county is posted on RMA 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>



Reporting Weather Damage

Prompt weather-related disaster reporting is crucial for FSA to determine the need for disaster declarations. Disaster declarations trigger availability of emergency loans and in some instances, additional disaster assistance programs.

Damage reports aren't just limited to crops. They can include damage to structures, eroded farmland or livestock mortality. Helpful documentation includes the specific location of farm damage, date and time of the disaster event, the type of damage (hail, wind, etc), what was affected and the estimated percent of loss. Photographic evidence of significant damage will also be helpful as both FSA and insurance agents use them in support of future program applications and cumulative damage reports.

Disaster designation triggers availability of low-interest loans and direct payments under the Supplemental Revenue Assistance Payment Program (SURE) for farmers and ranchers in the county. SURE benefits help offset the loss of farm revenue associated with the disaster year. Emergency loans may be used to replace essential property or pay production costs associated with the disaster year. They may also be used to pay essential living expenses, reorganize a farming operation or refinance certain debts.

Disaster Debt Set-Aside Program

When Farm Service Agency (FSA) direct loan borrowers are located in a designated disaster area or contiguous county, and are unable to make their scheduled payments on any debt, FSA is authorized to consider set-aside of

some payments to allow the operation to continue.

Borrowers have eight months from the date of designation to apply for the program. A complete application includes a written request from all liable parties, actual production, income and expense records for the period in which disaster occurred, and other items as required. Production, income and expense records are not required in instances where the agency already has the information.

Borrowers are eligible to receive the disaster set-aside based on the following: (1) The borrower is unable to pay all family living and farm operating expenses, payments to other creditors and payments to FSA; (2) The borrower must have operated the farm or ranch at the time of the disaster; (3) Each loan considered for disaster set-aside must have been outstanding at the time of the disaster; (4) The borrower must be current or not more than one installment behind on any FSA loan; (5) The loan considered for disaster set-aside must have at least a term of 2 years remaining on the payments; (6) After the disaster set-aside is completed, the borrower must be current with FSA payments; (7) The amount set aside cannot exceed one year's FSA payment; (8) Each loan can only receive one disaster set-aside; (9) The borrower must be able to develop a positive cash-flow projection for the coming year.

Each payment set-aside must be repaid prior to the final maturity of the note. Any principal set-aside will continue to accrue interest until it is repaid.

Common Acreage Reporting Dates

Implementation of common acreage reporting dates is a major step by the Risk Management Agency (RMA) and Farm Service Agency (FSA) to reduce the duplication of reporting to FSA and crop insurance agents. Also, the common reporting dates between the two agencies will help reduce USDA operating costs by allowing the sharing

of similar data across participating agencies within USDA.

This change does not reduce or modify the programs or services that RMA or FSA provides, but will enable most crop insurance agents and FSA office staff to collect information in a more uniform and efficient manner.

Washington producers may notice changes beginning with the 2012 acreage reporting. Producers of insured crops are encouraged to work closely with their agents to ensure they comply with the requirements of their insurance policies with respect to timely reporting acreages. The first change for FSA producers is a change in the reporting season deadline from the traditional June 30 to July 15.

The most noticeable change begins in December 2012 and January 2013. FSA will begin accepting acreage reports for insured fall seeded crops beginning with the 2013 crops of wheat, barley, canola, dry peas, mint, onions and alfalfa seed to allow producers to meet their insurance obligations by December 15. Producers with insured apples, blueberries, cherries, cranberries, apricots, peaches, nectarines, grapes, pears and plums will be required to report by January 15. All other spring crops and uninsured crops must be reported by July 15.

The ability to report crop acreages to either RMA or FSA allows producers to meet the requirements of both agencies with one report. The local FSA office is accepting acreage reports for planted crops. If additional crops are planted in the spring, those acres must be reported by July 15, 2012. Producers may lessen their time spent in the FSA office next summer by providing an acreage report for fall planted crops now. Also, producers of perennial crops can get a big jump on 2012 crop by filing acreages now. Producers will only have to report any changes later if they occur.

Producers with planted acres are encouraged to adopt the new reporting dates now.

Spousal Signatures

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

There are exceptions to the rule, where spouses may not sign on behalf of each other for interests in partnerships, joint ventures, corporations or other similar entities. Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents.

Updating Farm Ownership Records

To bring agency documents in line with state law, FSA asks that producers update their farm ownership records and program contracts to include their spouses. DCP/ACRE, CRP and other contracts signed from this point forward should include spouses, but this will not affect the share disbursement. FSA does not dictate how spouses are awarded contract shares. To prove that any property is separately owned, you must provide adequate documentation, other than a deed, to demonstrate your separate ownership.

FSA is in the midst of a drive to update a variety of producer records to streamline contract and program processes. Accurate records help ensure farmers and ranchers receive payments quickly and without problems. Also, updating FSA's farm ownership records to include spouses will guarantee that these spouses receive COC election ballots, since these spouses are eligible to vote in elections.

You can help by reviewing your FSA records and new contracts. Please let the office know if your spouse is missing from these documents. Contact this office for more information.

Foreign Investors 90-day Reporting Rule

The Agricultural Foreign Investment Disclosure Act requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. Foreign investors, who buy, sell or hold a direct or indirect interest in U.S. agricultural land must report their holdings and transactions to the Farm Service Agency within 90 days of the closing. Failure to timely 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. County government offices, realtors, attorneys, and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.



Remember to report the following changes to your local Farm Service Agency:

- **ADDRESS CHANGE**
- **BANK ACCOUNT CHANGE**
- **PHONE# CHANGE**
- **EMAIL ADDRESS CHANGE**

Accessibility

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.

FSA Moving to Electronic Information

The USDA Farm Service Agency offices are moving toward a paperless operation.

Producers are asked to enroll in the new GovDelivery system which will provide notices, newsletters and electronic reminders instead of a hard copy through the mail.

FSA, like many other organizations, is trying to work smarter and be more efficient. Moving to electronic notifications via email will help conserve resources and save taxpayer dollars.

County Committee ballots will continue to be mailed to all eligible producers.

Interested producers may subscribe to receive e-mail updates by going to the USDA GovDelivery sign-up page found at the following web address:
<http://www.fsa.usda.gov/subscribe>

