



AUGUST 2010

## Spokane-Pend Oreille COUNTY FSA

### Spokane Pend Oreille County FSA

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**Pend Oreille County Producers for which 447 is a local call can dial 447-4216 for a toll free call.**

### Office Hours

Monday – Friday  
8:00 AM – 4:30 PM

### County Committee

Jim Ryan, Chairman  
Charlotte Yergens, Vice-Chair  
Regina Clausen, Member  
Louise (Lou) McLam, Member  
Larry Cordes, Member

### Office Staff

Randy L. Primmer, CED  
[randy.primmer@wa.usda.gov](mailto:randy.primmer@wa.usda.gov)  
Lorri Anderson, PT  
Kay Kjack, PT  
Betty Diedesch, PT  
Dave Olson, PT  
Connie Klein, Temp

### Farm Loan Staff

Houston Bruck, FLM  
[Houston.Bruck@wa.usda.gov](mailto:Houston.Bruck@wa.usda.gov)  
Chris Sletager, FLO  
Jo Anne Krupke, FLT

### Next COC Meeting

**September 23, 2010 @ 9:00 a.m.**

FSA/USDA National Website:

<https://www.fsa.usda.gov/>

Washington State FSA Site  
<https://www.fsa.usda.gov/wa>

### Important Deadlines:

**August 27 – CRP Sign up ends**

**September 1 - ACRE production deadline**

### Office Closures:

**Sept 6, 2010 – Labor Day**



### CRP General Signup Announced

The Secretary of Agriculture recently announced there will be a general signup for producers interested in enrolling land into the Conservation Reserve Program (CRP). Dates for the signup 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 an eligible offer, the 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.

Land must also meet cropping history requirements to be offered. 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 enrollment in CRP. Alfalfa and conserving use grasses planted in rotations of 12 years or less, where the rotation can be demonstrated with an annually planted commodity on either end of the rotation within the 12-year period ending in 2007, will also meet cropping history requirement.

Adjusted Gross Income (AGI) requirements pertain to all new contracts.

Offers will be ranked for acceptance through a nationwide process using an Environmental Benefit Index (EBI) scoring 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 score are afforded contracts, up to the maximum limit of 25 percent of the county's cropland acres. A very competitive CRP signup is expected regarding acceptance.

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 signup have been revised to reflect average cash rental values for the most recent three year period. Generally speaking, this change has led to small changes in soil rental values across most soil types for the county. 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.

Mid-term management will be required on all new contracts, requiring a planned activity to enhance the permanent cover during years 6 and 7 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 for 50% of the cost of necessary actions.

### ACRE Payment Rates for Wheat and Barley Announced

The 2009 marketing year is completed and final prices and yields have been announced for use with the Average Crop Revenue Election (ACRE) program. The final Washington State yield for wheat was 54.9 bushels per acre compared to the 5-year state average of 61.0 bushels per acre; final Washington State barley yield was 64.0 bushels compared to a 61.0 bushel five-year state average. Market year price averages for 2009 were established at \$4.87 per bushel for wheat and \$2.61 per bushel for barley, compared with the two-year average prices of \$6.61 (wheat) and \$ 4.09 (barley). This means that the state revenue trigger was met for both wheat and barley in Washington State in 2009.

Yield and price information for corn, grain sorghum, soybeans, dry peas, and lentils will not be finalized until the end of September/beginning of October. ACRE payments for those crops and also for wheat, barley, and oats will be issued in October. Information for chickpeas and oilseeds won't be finalized until the end of November/beginning of December, and those resulting payments would be issued in December.

The second criteria for determining ACRE payment eligibility is to determine if the farm level trigger is met by inserting individual farm yields and five-year historic yields into the calculation, replacing state yields.

The deadline for submitting producer production and certification for 2009 actual farm yields and farm benchmark yields (2004 – 2008), has been extended to **September 1, 2010**. Finally, if the farm level trigger is also met for the farm, ACRE payments are due.

ACRE payments are issued in October, and are subject to separate payment limitations of \$65,000 per person, plus any payment limitation amount reduced from direct limitation due to ACRE enrollment.

### **2010 Loan Program Details**

2010 County loan rates have been announced for crops stored in Spokane County. Loan rates for those farms participating in the ACRE program are reduced by 30% from this base amount.

Soft White Wheat	\$ 3.23/Bu.	Oats	\$1.37/Bu.	Lentils	\$13.17/Cwt
Hard Red Winter Wheat	\$ 3.05/Bu.	Barley	\$2.10/Bu.	Dry Peas	\$ 6.33/Cwt
Hard Red Spring (DNS) Wheat	\$ 4.17/Bu.				

Commodity loans on grain grading above sample grade are made as 9-month nonrecourse loans, and may be repaid at the lesser of principal plus interest, or the calculated market repayment price at any point during their term. Grain may also be forfeited at loan maturity in satisfaction of loan amount, subject to adjustments in value due to quality. Any reductions in quality from the original loan amount are the responsibility of the borrower. Loans become due on the last day of the 9<sup>th</sup> month, after the month of disbursement.

Interest rates for July are 1.375%. Loan fees are \$45 per loan, and an additional \$3 per bin in excess of one, or warehouse receipt in excess of one for the loan. Lien searches are required to be conducted prior to issuance of loans, and lien waivers may be required of persons with security interest in the commodity, to ensure that Commodity Credit security interests are perfected.

Measurement service is available for farm-stored commodities where you are unsure of the volume of grain stored. Measurement service rates are set by the Washington State FSA Committee at a level to recoup actual costs of the service, and for 2010 include a basic rate on all requests of \$30, with an additional \$16 per hour for time spent with completion of the request, based on a minimum time of one hour. All requests for measurement service must be paid in advance.

### **SURE Signup Close and Maintaining Eligibility**

Our FSA office has been informed and is anticipating that the 2008 Supplemental Revenue Assistance Program (SURE) signup will be closing soon, so an appointment should be made with our office as soon as possible if you are interested in applying for this program. SURE provides payment assistance in an amount equal to 60% of the difference between the producer's farm guarantee and the producer's total farm revenue.

A very important requirement for maintaining eligibility each year for the SURE program is the link in which producers must timely obtain a Federal crop insurance policy on all *insurable* crops they raise on all farms. This same SURE requirement is true for all crops raised that are *non-insurable*, wherein disaster coverage must be timely purchased through the Noninsured Assistance Program (NAP).

### **Non-Insured Crop Disaster Assistance Program (NAP) Deadlines**

Growers interested in NAP coverage for 2011 are reminded of the following deadlines:

August 31, 2010 – Mustard and Canola if not insurable.

September 30, 2010 – All perennial crops (grass for seed or forage, mixed forage, alfalfa)

November 20, 2010 – All orchard crops and berries.

Please remember to report all crop losses with 15 days of the date of the disaster event or within 15 days from when the loss becomes apparent.

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8815 E Mission Ave STE B  
Spokane Valley, WA 99212



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