



## February 2012

### Spokane-Pend Oreille County FSA

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Spokane Valley, WA 99212  
(509) 924-7350  
Fax (509) 924-7787

**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

Charlotte Yergens, Chairperson  
Regina Clausen, Vice-Chair  
Louise (Lou) McLam, Member  
Larry Cordes, Member  
Ronald Soliday, 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  
Joanna Suarez, Student Intern

### Farm Loan Staff

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

### Next COC Meeting

**March 15, 2012 @ 9:00 a.m.**

FSA/USDA National Website:  
<http://www.fsa.usda.gov/>

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



## Electronic e-Newsletters Are Here

Beginning with this newsletter, the information we provide to our customers about USDA programs is going electronic. As a part of the Farm Service Agency mandate to reduce federal spending, we have been instructed to discontinue the printing and mailing of paper newsletters from county offices.

Eliminating the printing and mailing costs of a newsletter is a positive step for taxpayers, but it does leave us in a predicament at least initially in getting newsletters delivered to those persons who have not yet provided Farm Service Agency with a current e-mail address. We are planning on asking for this information from program participants during the signup process this spring, and appreciate any help you can also provide in helping us to spread the word to your landowners who may only infrequently contact our office and may not yet have provided e-mail contact information. Establishing your information does require each person requesting electronic mail to provide a current e-mail address, and complete a request to “decline” bulk paper mailings in person or by telephone. Persons may also self-enroll in GovDelivery at <http://www.fsa.usda.gov/subscribe>. Please share this information with your landowners during signup activities and ask them to provide this information to our office. Thank you in advance for helping assist us in “rebuilding” our mailing list.

## CRP General Signup 43 Begins March 12

The Conservation Reserve Program (CRP) general signup starts Monday, March 12, 2012 and ends Friday, April 6, 2012.

CRP allows producers to enroll land in ten year contracts that help preserve environmentally sensitive areas. In exchange for enrolling the land, producers receive annual rental payments and approximately 50% of the cost to establish the required cover. Rental rates are tied to county average rental rates and the productivity of the soils in the offered acreage.

Eligibility and ranking scores are based on several factors, including but not limited to native versus introduced grass and shrub species, addition of pollinator habitats, and soil types. Eligible land must have been planted to an annual crop or conserving use in at least four years between 2002 and 2007. In addition, the land must have an erodibility index of 8 or greater, or be CRP expiring in 2012.

Offers will be ranked using the Environment Benefits Index. Points will be awarded based on the environmental and habitat benefits of the proposed cover. More points are awarded for native covers. Existing CRP covers may need to be replanted or enhanced to maximize the score. Extra points will be awarded for the most erosive land and bids that include pollinator habitats. To schedule an appointment, contact the office.

## Signup for 2012 DCP/ACRE Program Begins

After a delayed start the sign up for the 2012 program began on January 23, 2012. Our office is accepting appointments for the 2012 annual sign up for the Direct and Counter Cyclical Program (DCP) and the Average Crop Revenue Election Program (ACRE). Each year producers who wish to participate in the annual program **MUST** enroll their farm(s) either in the DCP or the DCP/ACRE option to receive benefits in 2012. Program requirements and benefits changed slightly for 2012. Producers will be paid on 85.0% of their crop acreage base times the direct yield times the following rates; wheat \$.52/bushel, barley \$.24/bushel. Producers participating in ACRE will receive 80% of the guaranteed direct payments.

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This amount is up from 83.3% in previous years but no advance payments are authorized. We will perform your sign up and review/update eligibility paperwork during these appointments. We will also provide you an opportunity to report your winter wheat acreage so bring your planting dates. Please call our office to set up an appointment.

### **2010 SURE Sign up**

Neither Spokane County nor Pend Oreille County was designated as an eligible disaster county or an eligible contiguous county for 2010. Based on that information, if you have farm land in Lincoln, Whitman, Benewah or Kootenai County or another designated/contiguous disaster county you are eligible to apply for 2010 SURE. If your farming operation only operates in Spokane County you are not eligible unless your farming operation suffered a 50% loss on all crops grown. Call if you have questions on eligibility.

### **Farm Storage Facility Loans**

Producers interested in additional grain, hay or certain cold storage structures are reminded of the availability of the Farm Storage Facility Loan Program (FSFL) to construct these facilities. Loan terms can be up to \$500,000, on 7-12 year repayment terms, and require 15% down. FSA is required to take a security interest on real estate to which FSFL structures are affixed. The February interest rate is 1.375% on 7 year loans, 2.0% on 10 year loans, and 2.250% on 12 year loan terms. FSFL funding has been appropriated and is available for 2012 FY applications. For additional program details, please call our office.

### **NAP and Federal Crop Insurance Deadline is March 15<sup>th</sup>**

The application closing date to purchase coverage for the 2012 crop year for spring planted crops under the Non-insured Crop Disaster Assistance Program (NAP) is Thursday, March 15, 2012. The application fee is \$250 per crop, up to a \$750 cap per county. The maximum for multiple crops in more than one county is \$1,875 per crop year. NAP is available for spring small grain forage, triticale for grain or hay and camelina.

The Sales Closing Date for Federal Crop Insurance purposes for dry peas, lentils, barley and oats is also March 15, 2012. Contact a local crop insurance agent to purchase Federal Crop Insurance. Linkage requirements remain in effect to be eligible for possible participation for 2012 SURE if eligibility requirements are met.

### **County Committee Elections Results Announced**

Spokane County voters in Local Administrative Area (LAA) 3 elected Regina Clausen from the Spring Valley area and Pend Oreille County voters in LAA 5 elected Larry Cordes from the Cusick Flats area. Charlotte Yergens will serve as the chairperson and Regina Clausen will serve as the Vice-Chairperson. The regular members are Larry Cordes, Lou McLam and Ronald Soliday. Thank you to all who voted this year.

### **ACRE producers report production deadline**

Producers enrolled in ACRE are required to provide their production for all covered commodities on ACRE farms whether they have a share interest in the crop or not, including any covered commodity harvested as forage. The deadline for reporting production by submitting a signed FSA-658 is July 15, 2012 for the 2012 crop year. The form is available at the office or may be found at <http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/FSA658.PDF>. It is the producer's responsibility to file a signed FSA-658 by July 15, 2012. Producers who need assistance please contact the office for an appointment. The worksheet used last year is currently not available but we expect it in the near future. The County Committee has stressed that producers need to be involved in calculating production yields similar to last year. More importantly, do not miss this important deadline as failure to provide a signed FSA-658 makes all producers (owners, operators, and interested producers on the farm) ineligible for payments on the farm.

### **Farm Reconstitution Deadline**

Resulting farms of reconstitutions requested by **June 1, 2012**, may enroll in DCP or ACRE by the later of **June 1, 2012**, or 30 calendar days following completion of the reconstitution. **August 1, 2012**, is the final date to accept a reconstitution request on form FSA-155 for FY 2011 farm combinations and/or farm divisions for a farm. Land owners are encouraged to notify our office as soon as changes take place so we can update the records and have them ready for your appointment.

### **Transition Incentive Program Available for Expiring CRP Contract**

Washington State has 2403 CRP contracts covering 274,490 acres set to expire as of September 30, 2012. The Secretary of Agriculture has authorized a general CRP sign up March 12 to April 6 for those who wish to possibly reenroll this acreage. One potential answer for landowners and operators who no longer want land enrolled in CRP is to consider the CRP-Transition Incentive Program (TIP). TIP was authorized under the 2008 farm legislation to encourage the transfer of CRP lands from retiring landowners and operators, to beginning farmers and ranchers.

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The concept is fairly simple; in the final year of a CRP contract, a retiring landowner determines to transfer operation to a beginning farmer (someone who has been involved in the operation of a farm for 10 or less years) through either sale, or long term lease (minimum of 5 years). The beginning farmer agrees to farm the land upon the termination of the CRP contract using a sustainable conservation system developed through NRCS. Retiring landowners, and all persons on the existing CRP contract, then may earn two additional annual transitional payments, which are equal to the current CRP annual rental payment, and made on the same anniversary dates, while allowing the beginning farmer to begin cropping of the CRP acreage during the transitional period. There are restrictions on eligibility for TIP transfer, including transfers between lineal relatives, and beginning farmers must document their sustainable conservation system by development of an approved conservation plan through the NRCS. Finally, requests for participating in the TIP program must be filed prior to completing an agreement for sale of the land, or completion of the long term lease of land, and all activities required for approval of TIP contract must be completed no later than the expiration date of the current CRP contract.

### **New AGI Forms Required for 2012 Participation**

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 for 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. Also, due to the fact that the form is a combined FSA/IRS form, most power-of-attorney authorizations will not work for this form. So 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. Producers who receive another letter concerning Adjusted Gross Income (AGI) for 2009 and 2010 will need to complete the form CCC-931 enclosed with the letter. The completed form should be returned to the Farm Service Agency national office, as indicated in the letter. If you previously submitted a form CCC-931 that form was revised and you may be asked to complete a new form.

### **Possible Disaster Relief Available for Farmers and Ranchers**

Family farmers in Spokane and Pend Oreille County may be eligible for Farm Service Agency Emergency Loans if they suffered physical or production losses due to damages caused by excessive rain, flooding, below normal temperatures, high winds, frosts and freezes that occurred January 1, 2011 through July 31, 2011. Emergency loan applications are available at the county office for any applicant realizing a physical or production loss (at least 30% crop loss in a single enterprise). To qualify, applicants must be unable to obtain commercial credit and must provide evidence of the qualifying loss. These low rate loans may cover up to 100% of the actual production loss, to a maximum of \$500,000. The deadline for submitting an application is September 27, 2012. If interested, contact Farm Loan Manager Houston Bruck at (509) 924-7350 ext 108.

### **Long Time ASCS/FSA Employee Chris Sletager Retires**

Chris Sletager a long time staff member of the Spokane County service center decided in August that he was willing to help the agency reduce employee staffing numbers by accepting an opportunity to retire. Chris most recently worked as a farm loan officer in the service center. Prior to joining the loan staff he worked in a number of program areas administered by ASCS/FSA including but not limited to; all aspects of the compliance programs, measurement service programs both office and fieldwork as well as portions of the Agricultural Conservation Programs (ACP). We wish Chris the best of luck in retirement.

**THE DEADLINE FOR WHEAT AND BARLEY COMMODITY LOANS IS APRIL 2, 2012.**