



July 2010

Columbia/Walla Walla County News

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Walla Walla County FSA

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County Committee

Jack McCaw, Chair
Steve Bughi, V-Chair
Valerie Cochran, Member

Office Staff

Nicole Armijo, PT
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Norma Colunga, PT
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Ray Painter, Temp

Farm Loan Staff

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County Committee

Valerie Turner, Chair
Jay Penner, V-Chair
Dan McKinley, Member

Office Staff

Christy Bell, PT
Gerri Richter, PT

Office Hours

Monday – Friday
8:00 AM – 4:30 PM

Next COC Meeting:

Walla Walla – August 25
Columbia – August 26

*meetings start at 8:00am

Dates to Remember:

***August 2-27**—General CRP Signup

***September 1**—2004-2009 ACRE production evidence deadline

***September 30** – Payment Entity changes



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. Dates for the signup have been set for **August 02, 2010 through August 27, 2010**. Offers selected for contract will be enrolled with an effective date of 10-1-2010. To schedule an appointment, please contact the county office.

To be eligible for offer, 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 9-30-2010. Within Washington State, CPA designations have been made for certain wildlife areas, and for the state air quality area. ***The air quality CPA boundaries established for this signup are based on hydrologic unit (HUC) areas where PM-10 soils are predominant; this has resulted in a slightly different eligibility boundary from those used in prior signups.*** For those with questions about the location of their land in relation to the CPA, the Air Quality CPA map will be available for review at the FSA office prior to signup.

Land must also meet cropping history requirements to offer. 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 also meet cropping history requirement.

Adjusted Gross Income (AGI) requirements pertain to all new contracts, and provide that only those persons with nonfarm AGI of less than \$1 million, or those with farm income making up a minimum of 66% of total AGI are eligible to receive contract benefits. AGI determinations are made on CRP contracts in the year of the contract approval, and are considered binding for the duration of the contract.

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 are offered contracts, up to the County maximum limit of 25% cropland. With a limited number of acres available due to the county maximum, the EBI cutoff within the County potentially may be higher than the national EBI cutoff level. Specific details of the EBI scoring system will be available by contacting the County Office prior to signup.

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 increases in soil rental values across most soil types. 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.

Midterm management will be required on all new contracts, requiring a planned activity to enhance permanent cover during the middle three years 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.

Supplemental Revenue Assistance Program (SURE)

FSA is anticipating the sign-up period for the Supplemental Revenue Assistance Payments Program (SURE) for crop losses in 2008 will close soon. Eligible producers should apply for benefits as soon as possible to ensure payment eligibility.

The SURE program provides benefits for farm losses accrued in 2008 through 2011 due to natural disasters. A farmer or rancher is eligible for the program when a disaster designation has been made for their county or when actual production is less than half of the normal established production. Commodities are eligible for payment when covered with crop insurance or a non-insured crop disaster assistance program policy.

A fact sheet with more detailed information and a potential payment calculator are available on the FSA website. For more information, contact this office.

2010 Loan Program Details

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

Soft White Wheat	\$3.33/bu	Hard Red Spring (dns) Wheat	\$ 4.32/bu
Hard Red Winter Wheat	\$ 3.15/bu	Barley	\$ 2.19/bu
Oats	\$ 1.37/bu	Corn	\$ 2.32/bu
Dry Peas	\$6.33/cwt	Lg Garbanzos	\$11.28/cwt
Sm Garbanzos	\$7.43/cwt	Lentils	\$13.17/cwt
Soybeans	\$5.25/bu	Wool	\$0.40/lb

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 9th 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 CCC security interests are protected.

Measurement service is available for farm stored commodities where you are unsure of the volume of grain stored. Loans are available on up to 100% of the amount of commodity measured or certified, or for warehouse stored loans, for 100% of the amount receipted. 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.

Trade Adjustment Assistance for Asparagus Growers

Washington asparagus growers can tap into federal resources designed to help them remain competitive globally. The Trade Adjustment Assistance program for farmers offers various training opportunities and cash assistance to eligible producers. Applications are being accepted at the FSA office until September 23, 2010.

To be eligible for the program, producers must be able to prove production of asparagus during 2009 and within at least one of the three years prior. The three ways to qualify for benefits are: 1) loss of production between 2009 and the preceding production year; 2) a lower 2009 price than the previous three year average; or 3) the USDA county price was lower in the petition year (May 3, 2010) than the previous three year average. Contact the office for more information.

Farm Storage Facility Loan

Growers may apply for loans for new structures suitable for storing hay or grain, built according to acceptable design guidelines and having a useful life of at least 15 years. The maximum loan amount for a Farm Storage Facility loan is \$500,000 per loan. One partial disbursement of up to half the anticipated total cost is available when that portion of the structure has been completed. The final disbursement will be made when the entire structure has been completed and inspected by a USDA representative.

All Farm Storage Facility Loans require a down payment of at least 15 percent. Applications must be approved before construction can begin. Loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which USDA's Commodity Credit Corporation borrows from the Treasury Department.

COC Election Notice

The deadline for submitting nominations for persons to serve on the County Committee is fast approaching. Nominating petitions may be submitted by any person with farming interests either as an owner, or operator, within the Local Administrative Area (LAA) up for election. Nominating petitions must be submitted to the County office, or postmarked no later than August 2, 2010 to be considered valid. For more information or a copy of a nominating petition, please contact our office.

***Special Accommodations:** 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.

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