



January and February 2010

# WHATCOM COUNTY FSA NEWS

## Whatcom County FSA

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## Office Hours

Monday – Friday  
8:00 AM – 4:30 PM

## County Committee

Ed Strachila, Chair  
Debbie Smit, V-Chair  
Dan Noteboom, Member  
Satpaul Neger, Advisor

## Office Staff

David A Unruh, CED  
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## Farm Loan Staff

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## National USDA Website

<http://www.usda.gov>

## National FSA Website

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

## State FSA Website

<http://www.usda.gov/wa>

## Next COC Meetings

January 20, 2010 9:00 am  
February 17, 2010 9:00 am

## DATES TO REMEMBER

January 19- Deadline to sign up for DELAP

January 30 – Deadline to sign up for 2008 & 2009 ELAP

June 1- Final date to sign up in DCP and ACRE Programs



## COMMITTEE ELECTIONS RESULTS

Dan Noteboom was elected to a three year term on the Whatcom County Committee. Rod Visser was elected as the first alternate. They represent the Administrative Area 2. Also serving on the County Committee are Ed Strachila and Debbie Smit. Satpaul Neger serves as Advisor.

## DCP/ACRE SIGNUP - 2010

Applications are now being accepted for the Direct & Counter-cyclical Program (DCP) and the Average Crop Revenue Election Program (ACRE) for 2010 through June 1, 2010. Producers who remained in DCP last year may remain in DCP or elect the ACRE program for 2010. Once ACRE is elected, the farm remains in ACRE through 2011. Advance direct payments are available under either program at 22% of the total direct payment rate for the year. Producers are free to plant any crop on their base acreage with the exception of fruits & vegetables and wild rice. If you are interested in requesting an advance payment, please call to schedule an appointment to signup for DCP or ACRE. For producers not requesting advance payments the office will be mailing contracts or scheduling appointments starting in March to assist with your DCP sign up.

## SURE SIGNUP FOR 2008 CROP LOSSES

Applications are now being accepted for the 2008 Supplemental Revenue Assistance (SURE) Program. USDA has implemented the new SURE program in accordance with the 2008 Farm Bill. Sign up began on January 4, 2010; to participate in the program a producer must have suffered crop production losses during the 2008 crop year. No ending sign up deadline has been announced at this time.

To be eligible for SURE, producers must have suffered at least a 10 percent production loss on a crop of economic significance, in the county or a contiguous county, with a Secretarial Disaster Designation. However, in 2008 Whatcom County did not receive a Designation so the only means of qualifying is for the actual production on the farm to be 50 percent of the normal production.

SURE provides assistance in an amount equal to 60 percent of the difference between the SURE farm guarantee and total farm revenue. The farm guarantee is based on the amount of crop insurance and Non-insured Crop Disaster Assistance Program (NAP) coverage on the farm. Total farm revenue takes into account the actual value of production on the farm as well as insurance indemnities and certain farm program payments.

In addition, producers must meet the Risk Management Purchase requirement by either obtaining a policy or plan of insurance for insurable crops, under the Federal Crop Insurance Act (March 15th is the signup deadline to obtain an AGR-lite policy for 2010 crop year) or NAP coverage, for all economically significant crops. Producers considered socially disadvantaged, a beginning farmer or rancher, or a limited resource farmer may be eligible for SURE without a policy or plan of insurance or NAP coverage, but **must be a US Citizen or a lawful resident alien.**

## Dairy Emergency Livestock Assistance Program (DELAP)

Dairy operations that did **not** participate in the MILC program during Fiscal Year 2009 now have the opportunity to submit a DELAP application through January 19, 2010. The DELAP payment rate for initial phase is: \$0.3211641 per hundredweight and is limited to 6,000,000lbs.

## Emergency Livestock Assistance Program (ELAP)

This Emergency Assistance program for 2008 and 2009 Livestock, Honey Bees, and Farm-Raised Fish Program provides compensation to eligible producers of livestock, honey bees, and farm-raised fish for losses due to disease, adverse weather, or other loss conditions, including losses due to blizzards and wildfires caused by natural occurrence. Eligible losses include feed losses, physical losses, and additional costs incurred in providing feed to qualifying livestock. Producers must have purchased Noninsured Assistance Program (NAP) coverage for all noninsured crops, and a minimum of Catastrophic (CAT) coverage for all insurable crops within the producer's farming operations. Sign up deadline for 2009 and 2010 crop losses is January 30, 2010.

## FSA Farm Loan Program-Lender of First Opportunity

FSA offers direct operating and farm ownership loan programs, as well as administrating a guaranteed loan portfolio. 4H and FFA project youth loans are available to applicants with ages between 10 – 20 years old. All applicants are required to meet certain loan eligibility criteria specific to the applicable loan program. Direct loan funding is limited to \$300,000 and guaranteed funding is \$1,112,000. Call the office for more details.

## **ANNUAL REMINDERS**

**Bank Accounts:** Every year we issue several payments to bank accounts that have been terminated or changed. This often occurs when banks restructure, causing account numbers or routing numbers to change. Please keep us posted on these changes so your payment goes to your correct account.

**2009 Producer Earnings Statements:** Form CCC-1099G; Reports of Producer Payments will be mailed in January to all producers earning a program payment from FSA. This information is also provided to the Internal Revenue Service. Should you find a discrepancy, or if you do not receive a form, please contact your local FSA office.

**Farm Divisions and Reconstitutions:** Any land divisions or additions on your farm impacts your acreage bases. For program purposes, FSA adheres to a landowner designation of dividing bases in the manner agreed to by the parent farm owner and purchaser or transferee. This method of dividing the bases may be used when any part of a farm or tract is sold or ownership is transferred, an entire tract or farm is sold to two or more persons, or farm or tract ownership is transferred to two or more persons. The land sold or transferred must have been owned for at least three years unless the County Committee approves a waiver of this requirement. Contact the office for more details prior to selling or purchasing land.

**Signature Authority for Spouses:** Spouses may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest unless written notification denying a spouse this authority has been provided to the county office. A spouse may not, however, sign a Power of Attorney on behalf of the spouse, nor sign on behalf of the other as an authorized signatory for entities.

**Foreign Investors** 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.

**NAP Loss requirements** Producers with NAP coverage are also reminded that **Notice of Loss reports need to be filed within 15 days of the date of weather related disaster events, or when damage to a crop becomes evident.** Additionally, if the intention is to not harvest the crop, the County FSA office must be contacted so that a loss adjuster can verify the crop damage prior to its abandonment or destruction. Failure to meet these requirements can compromise NAP coverage, or make claims ineligible for assistance.

**Selling CREP Land** If you're planning on selling land that's enrolled in the Conservation Reserve Enhancement Program, the buyer must agree to assume the terms of the CREP contract. If the buyer does not want to succeed to the CREP contract, you will be required to refund all of the payments you've received to date, plus interest. It is in your best interest to review program implications with your local Farm Service Agency staff before completing a sale of farmland.

## **Payment Limitations and Eligibility**

The 2008 Farm Bill established program payment limitations through direct attribution to individuals or entities. Payment limitation is based on the total payments received by the payee and by legal entity members, both directly and indirectly. Qualifying spouses are eligible to be considered separate persons for payment limitation purposes, rather than being automatically combined under one limitation. Payment eligibility for certain programs still requires being "actively engaged in farming," defined by significant contributions of: (1) land, capital, equipment, or a combination; and (2) active personal labor or active personal management, or a combination. Payment eligibility also requires compliance with average Adjusted Gross Income (AGI) provisions. For 2010 AGI will be computed using the three tax years preceding the most recently completed tax year (2006, 2007, 2008). Three qualifying levels will be used: \$500,000 average non-farm AGI for commodity and disaster programs; \$750,000 average farm AGI for DCP/ACRE direct payments; and \$1 million average non-farm AGI for conservation programs, unless at least 2/3 of average AGI is from farm income. All participants will be required to complete CCC-926 Average AGI certification forms for the 2010 program year. In addition, participants must submit to IRS a CCC-927 or CCC-928 form authorizing IRS to complete data comparison to USDA that will be used to determine compliance with the 2009 and 2010 AGI provisions.

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