



December 2009

# Whitman County FSA News

## Whitman County FSA

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## Office Hours

Monday – Friday  
8:00 AM – 4:30 PM

## County Committee

David Swannack, Chair  
Larry Schroetlin, Vice-Chair  
Greg Hall, Member  
Gracie Miller, Committee  
Advisor

## Office Staff

Mike Mandere, CED  
Ann Holbrook, CPT  
Fred Hendrickson, PT  
Bonnie Riebold, PT  
Kathy Carothers, PT  
Doreen Riedner, PT  
Nancy Doege, PT  
Jonelle Olson, PT  
Kara Lanthorn, PT  
Kelley Betts, PT  
Michelle Peterschick, SCEP

## Farm Loan Manager

Steve King  
(509) 924-7350

## Important Dates

December 14 – County  
Committee meeting

December 25 – Office Closed,  
Christmas

January 1 – Office Closed,  
New Year's Day

## Get Your Payments Timely & Accurately

Changes in your Bank Account  
or has your Bank merged or  
changed names?

Don't Forget – Update your  
Direct Deposit Form.

## Handicapped

**Accommodations:** Special  
accommodations will be  
arranged for those persons  
with a physical, vision, or  
hearing impaired disability. If  
special accommodations are  
needed, please contact our  
office.

## 2010 DCP/ACRE Signup Underway

We are currently taking appointments for 2010 DCP/ACRE signup. Advance direct payments can be issued at 22% beginning in December for participation in either ACRE or DCP. Remember electing ACRE still allows for direct payments, including the 22% advance direct payments, but the direct payments are at 80% of what the payment would be if it was participating in DCP. Please contact our office for an appointment to signup for the 2010 DCP/ACRE program.

## Assistance Available for Forage Losses

FSA is currently accepting applications for the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP). The program provides financial relief to eligible producers of livestock, honeybees and farm-raised fish that have losses due to disease, adverse weather or other conditions, including blizzards and wildfires. Losses could have occurred as far back as January 1, 2008. Assistance for producers through ELAP is for losses not covered under other Supplemental Agricultural Disaster Assistance programs established by the 2008 Farm Bill. These include the Livestock Forage Disaster Program (LFP), the Livestock Indemnity Program (LIP) and the Supplemental Revenue Assistance Payments Program (SURE). ELAP is being implemented to help fill the gap and provide assistance under other eligibility conditions determined to be appropriate.

Eligible livestock include beef cattle, alpacas, buffalo, beefalo, dairy cattle, deer, elk, emus, equine, goats, llamas, poultry, reindeer, sheep and swine in addition to honeybees and farm-raised fish. Prior purchase of crop insurance or Non-insured Crop Disaster Assistance Program (NAP) coverage is required for LFP and ELAP eligibility. Due to a program funding cap, ELAP payments may be pro-rated depending on the number of applications. Individuals or entities are ineligible for payment under ELAP or LFP for 2008 if their average Adjusted Gross Income for 2005, 2006 and 2007 exceeds \$2.5 million. For 2009, an average adjusted gross nonfarm income limitation of \$500,000 applies. Payment limitations for all disaster programs are \$100,000.

**FSA has set a December 10, 2009 notice of loss deadline for losses that occurred between January 1, 2008 and September 10, 2009.** In the future, a notice of loss is due 30 days after damage is apparent.

## Supplemental Agricultural Disaster Assistance Programs

The Food, Conservation, and Energy Act of 2008 (2008 Farm Bill) created five new disaster programs, collectively referred to as Supplemental Agricultural Disaster Assistance programs. These programs include:

Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish (ELAP)  
Livestock Forage Disaster Program (LFP)  
Livestock Indemnity Program (LIP)  
Supplemental Revenue Assistance Payments (SURE) Program  
Tree Assistance Program (TAP)

To be eligible for SURE, ELAP and TAP, producers must meet the risk management purchase requirement for all crops of economic significance. This means that producers must purchase at least catastrophic risk protection (CAT) level of crop insurance for all insurable crops and/or Noninsured Crop Disaster Assistance Program (NAP) coverage for non-insurable crops. For LFP eligibility, producers must purchase a plan of insurance for their grazing land. LIP is exempt from crop insurance or NAP coverage requirements. Producers, who meet the definition of a Socially Disadvantaged, Limited Resource Producer, or Beginning Farmer or Rancher, do not have to meet this risk management purchase requirement.

In the 2008 Farm Bill, for disaster program purposes the term "farm" means the sum of all crop acreage in all counties that is planted or intended to be planted for harvest by the eligible producer. It is anticipated that FSA will be announcing the signup for the SURE program in the near future. The announced signup will cover 2008 crop losses. Please watch the newsletter for program details.

### Payment Limitations and Eligibility

The 2008 Farm Bill eliminated the three-entity rule. Instead, program payments are limited by direct attribution to individuals or entities. A legal entity is defined as an entity created under Federal or State law that owns land or an agricultural commodity, product or livestock. Through direct attribution, payment limitation is based on the total payments received by the payee and by legal entity members, both directly and indirectly. Shares not held by an individual at the third member level of an entity are ineligible for payment. 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. New provisions make it easier for spouses and minors to meet active personal labor and active personal management contribution requirements. Payment eligibility also requires compliance with average Adjusted Gross Income (AGI) provisions. Starting in 2009, AGI will be computed using the three tax years preceding the most recently completed tax year (for 2009 – use 2005, 2006, 2007). 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. The 2009 changes also include an expanded definition of farm income to incorporate processing, packing, storing, shedding, and transporting of farm, ranch and forestry commodities and on-farm renewable energy production. All participants will be required to complete CCC-926 Average AGI certification forms for the 2010 program year.

### CRP and Payment Limitation and Eligibility

CRP contracts approved prior to October 1, 2008 will continue to fall under the 2002 Farm Bill rules relative to Payment Limitations and Eligibility. The three-entity rule remains in effect on these older CRP contracts as well as the Average AGI limitation of \$2.5 million. As these contracts expire and are re-enrolled in CRP they will fall under the 2008 Farm Bill rules detailed in the article above. If you have any questions related to payment limitation or eligibility please contact our office.

### Farm Service Agency Youth Loan Program

FSA youth loans are designed to help young men and women from ages 10-20 in rural areas to initiate and perform income-producing agricultural projects. The project must be completed with the recommendation of an advisor, through their school or a club such as 4-H or FFA. Examples of projects include crop and livestock production, the purchase of essential machinery and breeding stock. The maximum loan amount is \$5,000 per person. The interest rate as of 12/1/09 is 2.875%. This rate is set as of the date of loan closing, and remains fixed for the term of the loan. For more information on Youth Loans contact the Farm Loan Program staff at the Spokane County Service Center at 509-924-7350.

### Selling Land

If you're planning to sell farmland, there may be some program consequences you should be aware of. For example, if you're planning to sell land that's enrolled in the Conservation Reserve Program, the buyer must agree to continue the enrollment. If the buyer doesn't want to continue the CRP contract, you might have to refund all of the payments you've received to date. Reviewing program implications with your local Farm Service Agency staff before completing a sale of farmland is always a prudent precaution.

### Farewell to Kathy Carothers

Program Technician Kathy Carothers will retire at the end of the 2009 calendar year. Kathy has provided exemplary service to FSA and Whitman County producers since 1985. Kathy has done an outstanding job handling Payment Limitation and CRP as well as working in a variety of program areas over the years. Kathy will be greatly missed. An open house will be held for Kathy from 1:00 p.m. to 3:00 p.m. on Tuesday, December 15, 2009. Folks are welcomed to come by and wish Kathy well and thank her for the years of service she has provided. Kara Lanthorn has been hired to fill Kathy's position. Kara will be handling CRP Cost Share and Payment Limitation.

### Whitman County 2009 Crop Loan Rates

**Loans disbursed in December 2009 will mature September 30, 2010. December CCC Interest Rate 1.375%**

SWW: \$3.17 per bu	BLY: \$2.10 per bu (\$88 per ton)	DPEAS: \$6.12 per cwt
HRS & HWS: \$3.81 per bu	Oats: \$1.30 per bu	LENTILS: \$14.62 per cwt
HRW & HWW: \$2.94 per bu	L. Chickpeas: \$11.28 per cwt.	S. Chickpeas \$7.43/cwt.