



January 2010

# Whitman County FSA News

## Whitman County FSA

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## Office Hours

Monday – Friday  
8:00 AM – 4:30 PM

## County Committee

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

## Office Staff

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

## Farm Loan Manager

Jonathan Wilson  
(509) 924-7350

## Important Dates

February 15 – Office Closed,  
Presidents' Day

February 17 – County  
Committee Meeting

March 15 – NAP Spring Crop  
Sales Closing Date

## 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.

## 2009 and 2010 Average AGI Compliance Requirements

Eligibility for USDA program participation was first tied to Average Adjusted Gross Income (AGI) limitations with the 2002 Act and continued by Congress under the 2008 Act. The 2008 Act requires the annual filing of a CCC-926, Average AGI Certification or a written statement from the participant's attorney or accountant. Participant's eligibility for Commodity Program eligibility under Title I of the Act is restricted to an Average nonfarm AGI of \$500,000 or less. In addition, the 2008 Act requires that participant's have an Average farm AGI of \$750,000 or less to qualify for DCP/ACRE direct payments and an Average Nonfarm AGI of \$1,000,000 or less to qualify for Conservation Payments.

FSA came under considerable criticism from Congress and the Media from a GAO (Government Accountability Office) report that found participants receiving benefits from FSA who did not meet Average AGI eligibility requirements. FSA has determined that review and verification of Average AGI compliance certifications submitted by participants is required to ensure the accuracy of payments and the integrity of USDA programs. FSA and IRS have finalized a data-sharing process for Average AGI compliance and verification. IRS will report the results of this process to FSA to determine whether participants comply with Average AGI limitations.

The Average AGI compliance verification process will require the filing of a consent/disclosure form from all participants who received program benefits in 2009 and 2010 under Average AGI eligibility requirements. The CCC-927 form is to be filed by individuals, and members of joint operations, stockholders, and partners who are individuals. The CCC-928 form will be filed by entities such as corporations, LLC's, Limited Partnerships, Trusts and Estates.

The forms require that the participant indicate whether they received program benefits in 2009, 2010 or both years. **Signatures on the form must be by the participant themselves; FSA-211 Power-of-Attorneys are not authorized for use on the CCC-927 or CCC-928. The form will not be returned to FSA but instead must be mailed to the IRS at the address shown at the top of the form.** Failure to file the CCC-927 or CCC-928 as applicable with IRS will result in ineligibility and forfeiture of program benefits received under Average AGI requirements. We greatly appreciate your cooperation in the completion of the Average AGI compliance process. Please contact us with any questions you may have regarding Average AGI compliance and the new forms.

## Supplemental Revenue Assistance Payment (SURE) Program Signup Announced

SURE provides benefits for 2008 through 2011 crop year farm revenue losses due to natural disasters. The SURE program replaces the ad-hoc crop disaster programs FSA had for crop losses due to natural disasters. Under the SURE program a farm is considered ALL crop acreage in ALL counties that a producer planted or intended to be planted for harvest for normal commercial sale or livestock feeding. To be eligible for loss assistance under SURE a "farm" must have a portion of the farm located in a county covered by a qualifying natural disaster declaration (USDA Secretarial Declaration only) or contiguous county; or, the actual production is less than 50% of the normal production.

For producers to be eligible for SURE they must have obtained a policy or plan of insurance for all crops through either the Federal Crop Insurance Act or FSA's Noninsured Assistance Program (NAP). There are limited exceptions to this rule, and SURE does not require coverage for forage crops intended for grazing. Please note that eligible farmers and ranchers who meet the definition of "Socially Disadvantaged", "Limited Resource", or "Beginning Farmer or Rancher" do not have to meet this requirement. For the 2008 crop year, producers are not eligible if their Average AGI is \$2.5 million or greater, unless 75% or more of their AGI is from agriculture. For 2009 and subsequent crop years, producers or legal entities whose average nonfarm incomes exceeds \$500,000 are not eligible.

Producers must have suffered a 10% production loss to at least one crop of economic significance on their farm in order to be eligible for SURE. For a qualifying loss, it must be caused by a natural disaster. **(Cont. on next page)**

**(SURE Signup, cont.)**

A crop of economic significance is one that contributes at least 5% of the expected revenue for a producer's farm. SURE payments are calculated based on 60% of the difference between the SURE Disaster Program Guarantee and the Total Farm Revenue.

A limit \$100,000 applies to the combination of payments for SURE and livestock disaster programs – Livestock Forage Program (LFP), Livestock Indemnity Program (LIP) and Emergency Assistance for Livestock, Honeybees, and Farms Raised Fish (ELAP). For 2008 SURE payments, payments are limited per “person” according to payment limitation rules in effect for 2008.

Signup for the 2008 SURE program began this month. A signup deadline has not been announced. Producers must signup at their county FSA office. If a producer farms in multiple counties, visits to each county may be necessary to complete the application. Please contact our office to set an appointment for the SURE program if you feel you may qualify due to losses suffered in 2008.

**2009 County Committee Election Results**

We would like to express our appreciation for those who took the time and effort to vote in this year's County Committee election. We are especially thankful to the candidates who showed dedication to the FSA Committee system by agreeing to run for the Committee position in Local Administrative Area 1 (Western Whitman County). Ballots were counted on December 14<sup>th</sup> and the following were elected:

David Swannack, County Committee Member      Mark Richter, 1<sup>st</sup> Alternate      Charmaine Despain, 2<sup>nd</sup> Alternate

**2009 Earning Statement**

Form CCC-1099G, Report of Producer Payments, will be mailed in January to all FSA program participants who received payment in 2009. These reports are mailed from FSA's Kansas City Office; please watch your mail for your report. If you do not receive it, or it does not match your records, contact our office immediately so that corrective action can be taken. It is important that the 1099G be accurate, since the data is reported to the Internal Revenue Service. **Please remember, refunds made to FSA will not show on your CCC-1099G.** Please contact us if you need a CCC-1099G Refund Report. FSA has also made modifications to 2009 1099G to prevent overstating DCP direct payments. The 2009 DCP advance direct payments will not be reported and only the full payment issued in October will be reported (See November 2009 Newsletter regarding payment problems). Producer's with eAuthentication Level 2 accounts can login online and obtain a 1099G report and obtain a report showing any refunds made to FSA.

**Mike Mandere Moves On**

I have had the honor and pleasure to serve you as the County Executive Director for Whitman County for the last 8-years. We have faced a lot of challenges together and I hope that in my time here that you have become better informed and more knowledgeable regarding FSA's programs. I will continue in my career with FSA as I have accepted the position as our Chief Administrative Officer at FSA's State Office located in Spokane. The County Committee has started the process of filling the County Executive Director position. However, the process will take several weeks to complete and we appreciate your patience until we have a new County Executive Director.

<b>Whitman County 2009 Crop Loan Rates</b>		
<b>Loans disbursed in January 2010 will mature October 31, 2010. January CCC Interest Rate 1.375%</b>		
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.

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