



CROOK County News

Crook County USDA Service Center

Crook County FSA
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Sundance, WY 82729
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www.fsa.usda.gov**

Hours
Monday - Friday
8:00 a.m. - 4:30 p.m.

County Committee
Mervin Peterson
Larry Fowlkes
Ross Garman
Roxie Dacar

Staff
Mike Idler
Susan Rasmussen
Danice Conzelman

Important Dates:

March 15...Crop Insurance Purchase Deadline
April 1...NAP Purchase Deadline
June 1...File DCP Contract
July 1...File 2009 Crop Reports
July 1...Submit 2008 NAP Crop Production

DCP Signup Continues

Signup for the 2009 Direct and Counter-cyclical Payment (DCP) Program continues until **June 1, 2009**. The June 1, 2009 deadline is mandatory for all participants. FSA will not accept any late-filed applications.

The electronic DCP (or eDCP) service is available to save you time, reduce paperwork and speed up contract processing at FSA offices. To find out more, visit <http://www.eauth.egov.usda.gov> for on-line registration. You will also need to visit a local USDA Service Center to complete registration and identity verification.

FSA computes DCP Program payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2009, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. FSA will issue advance direct payments later this month. Counter-cyclical payment rates vary depending on market prices and are issued only when the effective price for a commodity is statutorily set below its target price. Note that for 2008 cotton crops, advance counter-cyclical payments are being issued now.

Eligible producers for the DCP Program are also eligible to enroll in the Average Crop Revenue Election (ACRE) Program or the Counter-cyclical Program. The enrollment period for the ACRE Program **will begin in the spring**. You may first enroll in the DCP Program, receive advance direct payments and then later modify your enrollment to the ACRE program or you may wait and elect to enroll in DCP and ACRE at the same time in spring 2009.

Crop Disaster Program Signup Deadline – February 27

The Farm Service Agency's (FSA) Crop Disaster Program (CDP) signup period for years 2005-2007, will end **February 27, 2009**.

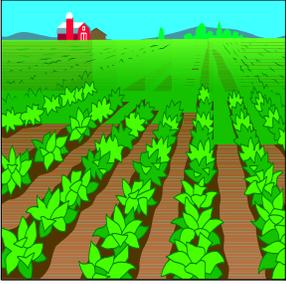
The ending date of February 27 applies to the receipt of a signed and completed FSA-840 application along with all supporting documentation and required forms at the applicable county FSA office. Sign-up information and required forms are available at each county FSA office. Late filed applications will not be approved after the February 27 deadline.

For further questions about CDP and the sign-up deadline, producers may contact their county FSA office or visit FSA's website at <http://www.fsa.usda.gov>.

Payment Limits and Direct Attribution

For commodity and disaster programs under the new farm bill, the AGI limitation was reduced from \$2.5 million from all sources to a three-year average **non-farm AGI of \$500,000** such that a person or entity shall not be eligible for such programs if the non-farm AGI exceeds \$500,000. Also, under the new regulations, an individual or entity must have a 3-year average AGI less than or equal to \$750,000 per year from farm income in order to qualify for direct payments issued under the Direct and Counter-cyclical Program.

For conservation programs, the average non-farm AGI limitation is \$1 million or less for eligibility. However, an individual or entity who has non-farm AGI in excess of \$1 million remains eligible for conservation programs only if 66.66 percent or more of the total AGI is derived from farming, ranching and forestry operations. In addition, the AGI limitation for conservation programs may be waived on a case-by-case basis if it is determined that environmentally sensitive land of special significance would be protected.



DCP Signup

We will be taking DCP signup by the appointment system this year.

With the passage of a new farm bill you have a few options available to you, as addressed on page 1 of this newsletter. An office visit will help us to ensure that your farm enrollment meets your management practices for 2009 and beyond. Look for an appointment card.

NAP Production Reports

2008 NAP crop production reports are due by **July 1, 2009**. Failure to report this production timely will have an adverse impact on your APH (production history) yield. Please file this information when you visit the office to complete your 2009 crop report.

NAP Basic Provisions

The Basic Provisions document provides general guidance on the NAP program. It covers all aspects from making application (buying a policy) to collecting on a crop loss. Copies are available in our office. If you would like one please inquire.

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 individual, 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.

Individuals and entities must be "actively engaged in farming" with respect to a farming operation in order to be eligible for specified payments and benefits. To be "actively engaged in farming," the individual or entity must make significant contributions to the farming operation of: (1) capital, equipment, land, or a combination; and (2) personal labor or active personal management, or a combination. For more detailed information contact your local FSA office.

Kansas City Mails 1099-G

During the last week of January, producers who have received payments from FSA should have also received a CCC-1099-G from the Kansas City office. A CCC-1099-G is a report to the Internal Revenue Service about FSA payments made to you during the previous calendar year. The CCC-1099-G is a service to help participating producers report taxable income. It is not intended to replace the program participant's responsibility to report income to the IRS.

If you received a CCC-1099-G, we recommend that you check the amounts shown with those in your records to see that the amounts are correct. Refunds will no longer be reported on the 1099-G, but will be available online from the FSA Financial Inquiries (FSA-FI) web-based database. Program participants with eAuthentication user ID's and passwords can access their refund information at FSA-FI and select "Inquiry Type 1099/Refund Reports". Refund amounts are displayed on the Producer's Year-to-Date Activity web page.

If you have a question concerning the 1099-G refund information, you may contact your local FSA office for assistance. If you choose to visit the office, bring your CCC-1099-G.

Farm Loan Programs - FSA is "Lender of First Opportunity"

The Farm Service Agency (FSA) offers loans for farmers and ranchers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, borrowers might have suffered setbacks from natural disasters or might be persons with limited resources.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Currently guaranteed loans can reach a maximum indebtedness of \$1,094,000. Emergency loans are always direct loans for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth Loans, Loans to Beginning Farmers and loans for socially disadvantaged applicants are also available through FSA.

For detailed information, just contact the county office staff for an appointment with a farm loan officer.

FSA Farm Loans for Beginning Farmers or Ranchers

Beginning farmers or ranchers may obtain a farm ownership loan by using funds set aside especially for them by the Farm Service Agency. These loans can be financed up to the \$300,000 loan limit, and the term of the loan can be up to 40 years.

The interest rate is set the first of each month, and is currently 3.75%. The rate for "limited resource producers" is 5.00%.

Farm ownership loan funds may also be used in joint financing where FSA lends up to 50 percent of the amount financed and another lender provides 50 percent or more. FSA may charge an interest rate of not less than 4 percent with terms up to 40 years.



Crop Reports:

We will be taking crop reports by the appointment system again this year. We will start crop reports earlier than usual.

Program items we will try to complete in this visit for crop reports are:

1. 2009 crop report.
2. DCP signup
3. 2008 NAP crop production report.
4. Person/Entity Eligibility forms.

Other items that we might be able to complete at this visit are:

1. Taking LDP application for Wool/Mohair/Unshorn Pelts (if you have delivered or sold any of these commodities by your appointment time.
2. Accepting your Fees for 2009 NAP crops – of which the deadline to purchase NAP on Spring forage crops is **April 1**.

Lamb Referendum

A referendum is being held until **February 27th** to determine if the assessment under the Lamb Checkoff Program should be continued. Our office has the necessary forms required for voting.

Farm Ownership Program - Down Payment

Purpose: To finance a down payment up to 45 percent of the purchase price of a farm. The Farm Service Agency financing cannot exceed 45 percent of the lesser of: the purchase price of the farm, the appraised value of the farm, or \$500,000. The applicant must put down 5 percent. The remainder of the purchase price can be financed on contract with the seller or a loan through a conventional lender. The lender can obtain a guarantee from FSA if the customer is eligible.

Rates: The FSA loan rate will have a term of 20 years, and currently the interest rate is 1.5 percent. Other financing must be amortized over 30 years with the interest rate negotiated by the farmer and the lender.

Qualification: Applicants must either meet the definition of a “beginning farmer” or a “socially disadvantaged applicant”. Beginning farmer applicants must have three years of farm experience, must have farmed for less than 10 years, and cannot own real estate that exceeds 30 percent of the median farm acreage for the county. Socially disadvantaged applicants include women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders.

Youth Loans Help Start Ups

The Farm Service Agency makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5000.

Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA’s general eligibility requirements

- Reside in a rural area, city or town with a population of 50,000 or fewer people
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms. The FSA staff can help you with questions you may have about a particular program.

Loans for the Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of Socially Disadvantaged Applicants.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders.

If producers or their spouses believe they would qualify as socially disadvantaged, they should contact their local FSA office for details. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

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