



Farm Program Information

Signup for 2009 Direct & Counter-cyclical Program (DCP)

Producers have from December 22, 2008, through June 1, 2009, to timely file CCC-509. Beginning with the 2009 crop year, regulations no longer provide for a “late-filed” signup period or fee. Accordingly, enrollment is not permitted after June 1, 2009. CCC-509 will not be approved unless all producers sharing in base acres with more than a zero share have signed and submitted all applicable documentation. For those producers with an interest but a zero share of contract, CCC-509 will not be approved before all producers have signed CCC-509 or provided supportive and necessary contractual documents, such as cash leases instead of signing for a zero share. CCC-509 not having all requisite signatures of producers having more than a zero share of contract acreage on or before June 1, 2009, will not be considered submitted to CCC for any purpose and will not be acted on or approved. CCC-509’s submitted by a producer on or before June 1, 2009, that were not signed by all producers according to this subparagraph will be considered withdrawn and will not be approved. Producers on a farm are solely responsible for ensuring that timely enrollment occurs. Please call for an appointment.

Producers who are eligible for the DCP Program will also be eligible to enroll in the Average Crop Revenue election (ACRE) Program. The enrollment period for the ACRE Program will begin in the spring. Producers may first enroll in the DCP Program, elect to receive advance direct payments and then later modify their enrollment to include the ACRE program or they may wait and elect to enroll in DCP and ACRE at the same time.

More information on ACRE will be in a future Newsletter.

Base of 10 Acres or Less

Generally, no producer on a farm that has a total of 10.0 base acres or less shall be eligible to receive DCP payments on that farm. However, the prohibition does **not** apply to a farm that is wholly owned by a socially disadvantaged or limited resource farmer or rancher. If the farm is owned by a legal entity, such as a corporation, each individual or entity with any interest in the entity must be a socially disadvantaged or limited resource farmer or rancher. Additional details of this provision will be announced at a later date. Farms that have total bases of 10.0 acres or less may reconstitute and earn payments, if reconstitution rules are met.

Direct Payments

The direct payment for each covered commodity or peanuts will be computed by multiplying:

- 83.3 percent of the covered commodity’s or peanut’s base acres, times
- the covered commodity’s program payment yield, times
- the payment rate for the covered commodity, times
- the producer’s share of the covered commodity.

For those CCC-509’s timely enrolled and containing all required signatures, CCC will make advance payments at a rate of 22 percent to those producers who requested the advance payments. The advance payments will be issued as soon as practicable following completion of enrollment.

Before producers can receive payments, each producer must satisfy all other program or payment eligibility requirements including, but not limited to, filing a new farm operating plan form CCC-902 E for an entity or form CCC-902 I for an individual, adjusted gross income certification for CCC-926 and an AD-1026 certifying the farm is following an approved conservation system.

New Adjusted Gross Income (AGI)

Determining Average AGI

The average AGI for a person or legal entity is the average of AGI, or comparable measure, of the person or legal entity for the 3 taxable years proceeding the most immediately preceding complete taxable year of the year for which benefits are requested. Taxable losses are included in the average. The average AGI limitations for payment eligibility are applied per natural person or legal entity.

Three AGI Limitations will be used.

IF average adjusted gross...

THEN the person or legal entity is INELIGIBLE for...

Nonfarm income exceeds \$500,000

All commodity, price support, and disaster assistance program benefits. **Note:** A person or legal entity with average adjusted gross nonfarm income that exceeds \$500,000 is **not** eligible for marketing loan gains and LDP payments. However, the person or entity is eligible for marketing assistance loans, but the loans **must** be repaid at principal plus interest, or commodity certificates may be exchanged for the loan collateral.

Farm income exceeds \$750,000

Direct payments under DCP.

Nonfarm income exceeds \$1 million

All conservation program benefits, **unless** 66.66 Percent or more of the average AGI was derived from activities related to farming, ranching, and forestry operations.

Note: AGI provisions in effect on September 30, 2008, continue to apply for CRP contracts, ECP agreements, and GRP contracts and easements.

Counter-Cyclical Payments

Counter-cyclical payments are authorized for a covered commodity when the effective price for the commodity is less than the target price of the commodity. The effective price for a covered commodity is equal to the sum of:

- the higher of the national average market price received by producers during the 12-month marketing year for the covered commodity or peanuts, as determined by the Secretary, or the national average loan rate for the commodity, as found in the regulations at 7 CFR Part 1412 as applicable
- the direct payment rate for the covered commodity as provided at 7 CFR Part 1412.

The counter-cyclical payment, if any, for each covered commodity will be computed by multiplying:

- 85 percent of the covered commodity's or peanut's base acres, times
- the program payment yield, times
- the payment rate for the covered commodity or peanuts, times
- the producer's share of the covered commodity or peanuts.

Payment Limitation

Payments will be limited by direct attribution. More on Payment Limitation, direct attribution and how it works will be included in the next Newsletter.

Acreage Reports

The FSA Office will take wheat crop reports. Please bring in your planting dates when reporting your crops. While applying for the 2009 DCP, we will collect information from your crops planted.

Global Information System (GIS)

Letters were mailed this fall with information concerning the acreage on your farm. This new acreage came from our GIS software which measures and calculates acreage by field, tract, and farm, from satellite images and boundaries drawn in by FSA.

The acreage changes will be loaded into the FSA farm record system and rounded by tract. The new farm acreages will be used for future program purposes. The 2009 crop acreage reports will be using the new acreages.

Farm Changes

As always you are required to notify our office of any changes in your farming operation for 2009. Did you buy some new land? Are you renting different land or have your shares changed for 2009? Do you have a new address? Did you form a new entity? Producers are responsible for notifying FSA of any changes regarding your farming operation.

Crop Loan / LDP Information

Marketing Assistance Loans (MAL)

Nine-month commodity loans can be made to eligible producers. The interest rate for loans disbursed in January is 1.625 percent for farm-stored or warehouse stored commodities. Laramie County loan rates for 2008 are: winter wheat - \$2.84/bu, barley - \$1.90/bu, corn – \$2.05/bu, oats - \$1.31/bu, sunflowers - \$9.23/cwt, and spring wheat - \$2.63/bu. Please call the office for more information if you are interested. The loan process does take some time. The office is required to do a lien search, obtain lien waivers from lenders, and file a lien against your crop before a check can be issued. Hay, silage, and unshorn pelts derived from the eligible loan commodities are eligible for LDP, but **not** for MAL's.

All payments are now issued out of our National Payment System. We cannot issue checks out of our office. Loan payments will be made out of our NPS by direct deposit or check. Payments issued to two parties (bank and producer) will be by check. Checks issued will delay payment from 10 days to 2 weeks.

Both husband and wife must sign the loan document. A notarized or FSA witnessed FSA Power of Attorney Form, FSA-211, may be filed giving the husband and/or wife authority to sign for each other.

Measurement services are available to measure the grain in your storage facility. The cost is \$30 per farm plus \$16 per hour / \$8 for every 30 minutes after the first hour with a minimum charge of 1 hour. Fees must be paid for the measurement before the loan check can be disbursed. **We strongly recommend that producers get a measurement service to avoid penalties for overstating grain in storage.**

Loan Deficiency Payments (LDP) will be available if posted county price goes below the loan rate. To date there are no LDP's available. CCC-633 EZ forms need to be filed for the 2009 program year to be eligible for LDP's, should they become a reality. Wool LDP's are available for shorn wool and pelts. The last day to file for 2008 wool LDP's is January 31.

Administrative Information

Signature Authority for Spouses

Husbands and wives may sign documents for each other for programs in which either has an interest, unless written notification denying a spouse this authority has been submitted to our office. Spouses may not grant a Power of Attorney to another person for each other. Spouses may not sign a promissory note for a commodity loan, a CRP contract, or a debt settlement for each other without an FSA Power of Attorney signed giving them authority.

Controlled Substance Violations

Persons convicted of planting, cultivating, growing, harvesting or storing a controlled substance in any crop year shall be ineligible for Federal program benefits during the crop year of conviction and the four succeeding crop years.

Agriculture Foreign Investment Disclosure Act (AFIDA)

AFIDA requires foreign persons or entities who acquire, transfer, or hold a 5 percent or greater interest in agriculture land or who gross \$1000 or more from any agriculture land report this information to the Secretary of Agriculture. The information must be reported within 90 days. This information must be reported to the local FSA office.

Reasonable Accommodations

Special accommodations will be made upon request for individuals with disabilities, vision impairments, or hearing impairment. Please call this office if assistance is needed.

Direct Deposit Changes

Remember to notify FSA if you have changed bank accounts or your bank ownership has changed. Payments are made by direct deposit to the bank account FSA has on file. Payments are delayed if you have made changes and you have not informed FSA.

**USDA / FSA
Laramie County FSA Committee
11221A U.S. Highway 30
Cheyenne WY 82009 8730**

**PRSRT STD
Postage Fees Paid
Farm Service Agency
Permit No. G-96**

Natural Resources Conservation Service (NRCS) News

Agriculture producers may submit applications for fiscal year 2009 conservation programs to NRCS offices through February 6, 2009. Private landowners are encouraged to sign-up for the Environmental Quality Incentives Program (EQIP), the Wildlife Habitat Incentive Program (WHIP), the Wetlands reserve Program (WRP) and the Agricultural Management Assistance Program (AMA) Program.

Loans for Social Disadvantaged Persons

A socially disadvantaged (SDA) farmer, rancher, or agricultural producer is one of a group whose members have been subjected to racial, ethnic, or gender prejudice because of his or her identity as a member of the group without regard to his or her individual qualities. SDA groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

FSA reserves direct and guaranteed loan funds for SDA persons. Non-reserved funds also can be used by SDA persons. Direct farm ownership loans (FO) and farm operating loans (OL) are made by FSA to approved applicants.

Dates to Remember

January 19	Martin Luther King Jr. Holiday – Office Closed
February 16	Presidents Day Holiday – Office Closed

County Committee: Mark Child, Dave Bowman, Mike Peterson, **Advisor:** Louise Jacobsen

Office Staff: Doris Scheel, Denise Hunt, Mark Lanning, and Krista Macy

/S/ Gary Gompert, CED – Email gary.gompert@wy.usda.gov

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