



# NEWSLETTER



## Laramie County FSA Office

March 2011

### Gary Gompert, CED

11221 US Hwy 30  
Cheyenne, WY 82009

Email  
gary.gompert@wy.usda.gov

(307) 772-2314 phone  
(307) 772-2120 fax  
www.fsa.usda.gov/WY

### Hours

Monday - Friday  
7:30 a.m. - 4:30 p.m.

### Laramie County Staff

Doris Scheel  
Denise Hunt  
Krista Macy  
Kendal Sedman-Temporary

### Farm Loan Officer

Dixie Mount- In the office on  
Tuesday. Located out of  
the Wheatland FSA Office.  
(307) 322-4050 phone

### County Committee

Mike Peterson  
Mark Child  
Dale Martin

### Advisor

Louise Jacobsen

## CRP Signup Opens

The Conservation Reserve Program (CRP) general signup is set to begin on March 14, 2011, and continue through April 15, 2011. During the signup period, producers may offer eligible land for CRP's competitive general signup at their local FSA office. Land currently not enrolled in CRP may be offered in this signup provided all eligibility requirements are met. Please call for an appointment.

Additionally, current CRP participants with contracts expiring this fall may make new contract offers. Contracts awarded under this signup are scheduled to become effective Oct. 1, 2011.

FSA will evaluate and rank eligible CRP offers using an Environmental Benefits Index (EBI) and cost factors. The EBI consists of the five specific environmental factors of 1) wildlife, 2) water, 3) soil, 4) air and 5) enduring benefits. Decisions on the EBI cutoff will be made after the sign-up ends and after analyzing the EBI data of all the offers.

## Farm Program Information

### 2011 Direct & Counter-cyclical Program (DCP) and Agriculture Conservation Revenue Enhancement (ACRE) Signup

Signup for the 2011 DCP/ACRE will be held now through June 1, 2011. You can request an advance payment of 22 percent. Please call for an appointment.

June 1, 2011, is the deadline for all ACRE and DCP participants. Deputy Administrator Farm Programs has authorized a late file DCP Contract enrollment period through August 1.

Eligible producers receive direct payments at rates established by statute regardless of market prices. FSA will issue advance direct payments beginning Dec. 1, 2010.

### The ACRE Option

The Average Crop Revenue Election Program (ACRE) provides a safety net based on state revenue losses and acts in place of the price-based safety net of counter-cyclical payments under DCP. A farm's payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year national price for each eligible commodity.

An ACRE payment is issued when both the state and the farm have incurred a revenue loss. In exchange for participating in ACRE, a farm's direct payment is reduced by 20 percent, and marketing assistance loan rates are reduced by 30 percent. The decision to enroll in the ACRE Program is irrevocable. The owner of the farm and all producers on the farm must agree to enroll in ACRE. Once enrolled, the farm shall be enrolled for that initial crop year and will remain in ACRE through the 2012 crop year.

### Acreage Reports

The FSA Office will take wheat crop reports. Please bring in your planting dates when reporting your crops. While applying for the 2011 DCP, we will collect information from your crops planted.

## **NAP Deadline**

Noninsured Crop Disaster applications are due at different times according to the crop being insured. Producers should apply for Noninsured Crop Disaster Assistance Program (NAP) coverage using form CCC-471 (Application for Coverage). Related service fees are due when the application is filed. The application and service fee **MUST** be filed by the crop sales closing date. FSA now has two closing dates for 2011. December 1 for biennial and perennial forage crops, regardless of the intended use and April 1, 2011 for all other crops.

Producers must obtain NAP or crop insurance coverage on all crops in order to remain eligible for the agency's Disaster Assistance Programs such as SURE, TAP, and ELAP. Producers must purchase at least catastrophic (CAT) level of insurance for all insurable crops. LFP requires coverage only on grazed acres.

NAP provides coverage to producers for non-insurable crops when low yields, loss of inventory or prevented planting occur due to natural disasters. Crops eligible for NAP coverage are those for which crop insurance is not available, including fruits and vegetables, aquaculture, pecans, turf grass and forage crops just to name a few. More information about NAP may be found on the FSA web site located at [www.fsa.usda.gov](http://www.fsa.usda.gov)

## **Payment Eligibility**

### Actively Engaged Determinations

USDA has amended the requirements of being 'actively engaged' in farming. These rules apply to eligibility for payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE). Normally the stockholder or a member of a legal entity **must** make contributions of active personal labor and/or active personal management for the farming operation. The contributions are to be performed on regular basis, must be identifiable, and separate from the contributions of others.

The exception to this rule for a stockholder or member of a legal entity only occurs when both of the following apply:

- At least half of the interest in the legal entity is held by stockholders or members who are providing active personal labor or active personal management; and
- The total direct payments received by the legal entity and each of the members can't exceed \$40,000.

### Adjusted Gross Income

USDA and the Internal Revenue Service have an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent will be required from each producer or payment recipient for the tax review process. No actual tax data will be included in the report that IRS sends to USDA.

This to ensure that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs.

Participants in CCC programs subject to AGI rules must submit form CCC 927 (Individual) and/or CCC 928 (Legal Entity) to the Internal Revenue Service by June 15 to avoid interruption of program benefits. These forms may be obtained from FSA and NRCS offices or online at: <http://forms.sc.egov.usda.gov/eforms/mainervlet>.

## **Farm Service Agency (FSA) & Risk Management Agency (RMA)**

The RMA (Risk Management Agency) and FSA work together to prevent fraud, waste, and abuse of the Crop Insurance Program. FSA will again be assisting RMA and insurance providers in monitoring crop conditions throughout the growing season. FSA will refer all suspected cases of fraud, waste and abuse of Crop Insurance Program to RMA. Producers may report suspected cases of fraud, waste, and abuse to their local FSA County Office, RMA office, or Office of Investigative General (OIG). FSA will also assist with auditing claims with RMA.

## **Disaster Programs**

### Livestock Indemnity Program (LIP)

Losses of livestock due to adverse weather must be reported to the FSA Office within 30 days of when the loss is apparent by filing a Notice of Loss application. A Notice of Loss filed must be finalized by completing an Application for Payment by January 30 of the next year.

Applications for livestock losses require documentation of beginning and ending inventory, records showing the date of death for normal death loss and show death losses due to the weather event, along with records showing the number of livestock in inventory on the date of the weather event. Beginning and ending inventory require third party verification, such as, vet records, loan documents, shipping records, brand inspections, etc.

### Supplemental Revenue Assistance Payments (SURE) Program

Signup for the SURE Program for 2009 crop losses will start on January 10. Please call for an appointment. The signup goes through July 29, 2011.

SURE is available to eligible producers on:

- Farms in counties with Secretarial disaster declarations, including contiguous counties that have incurred crop production losses and/or crop quality losses during the crop year. (Laramie County is eligible for the 2009 crop year as Platte County, WY received a Disaster Designation.)
- Any farm in which, for the crop year, the actual production on the farm because of disaster-related conditions is 50 percent or less than the normal production of the farm.

At a minimum, to be eligible for the SURE Program, the producer must have purchased or be enrolled in the following for the 2009 crop year (This is called the Risk Management Purchase Requirement or RMPR):

- A plan of crop insurance of at least catastrophic (CAT) level for all insurable crops on all farms.
- And/or Non-insured Crop Disaster Assistance Program (NAP) coverage for all non-insurable crops on all farms.

Note: RMA crop Insurance or NAP coverage on grazing land does not have to be purchased in order to be eligible for SURE. SURE does not pay for losses on crops intended for grazing.

Authorized waivers for RMPR are:

- *De Minimis Waiver*  
The crop that did not have crop insurance is not economically significant. Economically Significant means any crop that contributed, or is expected to contribute, 5 percent or more of the total expected value of all crops grown by the producer. Crops that add less than 5 percent of the total revenue will meet the waiver requirement.
- *Equitable Relief Waiver*  
The program provides for special consideration to provide equitable relief in 2009 to eligible producers who failed to meet 2009 RMPR for SURE. The Wyoming State Committee with a recommendation from the County Committee may grant relief of the RMPR where the:
  - A producer who met all other SURE requirements, including filing a timely application, inadvertently did not obtain NAP or insurance coverage for a crop (*Producers will be required to submit evidence supporting a conclusion that failure to obtain coverage was inadvertent or accidental.*), and
  - State Committee finds that the producer acted in good faith and did not intentionally fail to obtain NAP coverage or insurance, as may be applicable.

If equitable relief is granted the producer will be required to pay the "buy-in" fee in an amount of \$250 per crop to cover an administrative fee and will be determined eligible for SURE payments.

- *SDA / LR / BF*  
Producers who are determined Socially Disadvantaged (SDA), Limited Resource (LR), or a Beginning Farmer (BF) are not required to meet the RMPR.

In order to receive payments, the farm must suffer at least a 10% eligible production loss on at least one crop of economic significance. Producers with qualifying losses are eligible to receive 60% of the difference between the SURE Disaster Program Guarantee and the actual farm revenue.

The Disaster Program Guarantee is determined by totaling the calculated guarantee for each crop. For insured crops, the guarantee is based on the level of coverage the producer has elected.

The Total Farm Revenue calculation includes estimated crop value, Crop Insurance Indemnities, NAP payments, Marketing Assistance Loans / LDP, other disaster payments, and DCP payments (15% of Direct Payments plus Counter-cyclical payments and ACRE payments).

Laramie County FSA Office  
11221 US Hwy 30  
Cheyenne, WY 82009



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## Natural Resource Conservation Service (NRCS) News

### Agriculture Water Enhancement Program (AWEP)

NRCS is again accepting applications for the AWEP program, now through May 1<sup>st</sup>. All irrigators in Laramie County that utilize groundwater are eligible for the program. Cost sharable practices include permanent retirement of water rights, irrigation system improvements, improved management of irrigation water, well decommissioning, and improved tillage practices. Priority will be given to wells decommissioned near a municipal water supply. Contact the Cheyenne NRCS Field Office for more information.

## Conservation Compliance

All participants in USDA programs are required to have a conservation system in place on all the highly erodible land (HEL) that they operate. Signed Conservation Plans are in place for each farm or tract and only allow certain changes to the original plan. Several areas where problems arise with complying with a conservation system/plan are; renting new cropland, purchasing new land, breaking out additional cropland, planting different crops not included in the original signed plan, expanding field strips and changing or removing existing conservation practices.

It is very important that you contact the FSA and NRCS office before doing any of the above. Plans may need to be modified before any changes are made to stay in compliance and earn farm program benefits.

Also, it is very important that you contact our office before modifying - tiling, draining, dredging, filling, or leveling - any wetland or drainage ditch. Failure to obtain advance approval by modifying the conservation plan for any of these situations can result in loss of all Federal payments and eligibility.

## Dates to Remember

March 14 – April 15	CRP Signup Period by Appointment
March 15	Federal Crop Insurance Deadline for Spring Crops
March 31	Loan / LDP Deadline for Small Grains
April 1	Application Deadline for NAP Spring Crops
May 30	Memorial Day Holiday – Office Closed
May 31	Loan / LDP Deadline for Feed Grains
June 1	DCP Signup Deadline
July 1	Crop Reporting Deadline

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