



United States Department of Agriculture
Farm Service Agency
Washakie-Hot Springs FSA Newsletter
January 2009

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Office Hours: 7:30 a.m. to 5:00 p.m.	Monday – Friday	Closed on Federal Holidays
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Washakie-Hot Springs

Committee:

Nick Geis
Kathy Propp
Dan Rice
Matt Brown
Bruce Thurgood

Office Staff:

Bill Morrison – Farm Loan Manager
Claire Lewallen – Program Technician
Sue Willey – County Executive Director
Darla Rhodes – Program Technician

FSA Home Page:
www.fsa.usda.gov

USDA Home Page:
www.usda.gov

NEW ELIGIBILITY PAPERWORK FOR PRODUCERS

With the 2008 Farm Bill (The Food, Conservation, and Energy Act of 2008 – Pub. L. 110-246), **ALL** producers will be required to fill out new eligibility paperwork for upcoming years. The paperwork includes the CCC-926 – Average Adjusted Gross Income; CCC-902 – Farm Operating Plan for an Individual or Entity; and AD-1026 – Highly Erodible Land Conservation and Wetland Conservation Certification. Please keep in mind that all paperwork must be completed prior to receiving payments for the 2009 crop year.

Financial Inquiries for FSA Producers

January signals the beginning of a new year, and a time to gather financial records and start thinking about filling out a 1040. Producers who have signed up for a USDA eAuthentication Level 2 account will be able to access their farm data through *Financial Inquires for FSA Producers*. The site is available under Online Services on the FSA webpage at <http://www.fsa.usda.gov/> and also available on Service Center Agencies on line web page at <http://www.sc.egov.usda.gov/>.

Crop Disaster Program Sign-Up Ends February 27

The sign-up period for the 2005-2007 Crop Disaster Program (CDP) will end February 27, 2009. The ending date of February 27th, 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 27th deadline. All application determinations will be made by March 27, 2009. For further information about CDP and the sign-up deadline, producers may contact the office at 307-347-2456 or visit FSA's website at <http://www.fsa.usda.gov>.

ACCURATE RECORDS

We cannot stress enough how important it is for producers to ensure that our office has accurate records. This includes updated records on all of your farming interests (all grain, forage and grazing crops, and livestock interest for livestock disaster programs) in this county and all others – nationwide, as well as deeded, share rent, cash lease and AUM grazing on all leases and agreements.

Additionally, when completing paperwork in our office you should ensure that your name, (either as an individual or as an entity - such as a trust), your id numbers (including social security and entity id numbers), and address are correct. Incorrect information can delay benefits to you. Each time you file an application or contract, please ensure all information is correct.

2008 FARM BILL DISASTER PROGRAMS

The 2008 Act created several new disaster programs under the title, "Supplemental Agricultural Disaster Assistance". A second payment, in addition to the insurance payment, may be requested and approved if specific conditions are met.

To be eligible for the SURE crop disaster program, producers **must** purchase at least CAT level of crop insurance for **all** insurable crops and NAP coverage for **all** non-insurable crops. *Change from previous newsletter information: Crops (including pasture grass) intended to be grazed are not required to be covered by crop insurance or NAP in order for regular crops harvested for grain or hay to be eligible for the SURE crop disaster program.* Only those crops intended to be harvested as grain or hay must be covered by crop insurance or NAP – this includes all interest in crops in all counties nationwide. * Another change announced is a crop, determined and certified by the applicant in writing; to not be of "economic significance" (which means the crop does not contribute at least 10 percent to the total farm revenue) is exempted from the crop insurance or NAP purchase requirements. *

LFP livestock forage program: eligible acres of crops intended for grazing, i.e. pasture grass, are those covered by either: 1/ Crop insurance under the PRF-VI policy – which coverage is obtained by the "grid" method, or 2/ By purchasing a NAP policy with FSA which covers all of the acreage for the crop in the applicants "unit" – which is basically all of the acres of the crop in the county for all farms.

*Change in policy - If a producer's pasture grass is located in three crop insurance "grids" and they purchase a PRF policy on one grid only, they cannot obtain a NAP policy to cover the land in the other two grids. Thus, eligible acres for the LFP program will be the acres located in the PRF grid. Likewise, if they purchase NAP they cannot purchase crop insurance PRF. Thus, eligible acres for the LFP program will be all of the acres in the producers NAP unit. Bottom line – if a producer has a crop insurance grazing policy, regardless of number of acres insured they cannot purchase a NAP grazing crop policy and vice-versa.

The above changes for the SURE and LFP programs are important because of the confusion related to the crop insurance or NAP purchase requirements as originally announced by FSA and by crop insurance agents. With the fast approaching crop insurance and NAP policy purchase deadlines producers should keep the above changes in mind when buying a policy. Remember – crop insurance and NAP, for all grain and all forage (hay) crops, are only required if a producer wants to be eligible to participate in the SURE crop disaster program. Keep in mind that if the "eligibility to participate" clause is met it does not guarantee a crop loss payment. There are additional loss requirements that must be met before a payment is triggered. Also, if a producer wants to be eligible to participate in the LFP program they must purchase either crop insurance – by grids, or purchase NAP. Eligible LFP acres with crop insurance are those "grid" acres. Eligible LFP acres with a NAP policy are those included in the NAP unit. Again, a payment is triggered when certain loss thresholds have been met.

COUNTY COMMITTEE ELECTION

On December 4th, we counted ballots for LAA #2. We are fortunate to have **Kate Propp** returning to the County Committee. Other committee members include Nick Geis, Dan Rice, Matt Brown, and Bruce Thurgood. Thanks to all who voted!!!

SIGNATURE AUTHORITY

Producers and landlords who previously executed a FSA-211 Power of Attorney form authorizing an attorney-in-fact to act on their behalf for programs need to check with this office to be sure this form is still current with the new farm programs. If you have executed a FSA-211, please contact this office.

CONSERVATION RESERVE PROGRAM

Although the Secretary of Agricultural has determined there will not be a general CRP sign-up in the near future, the continuous CRP program is still an option. The Continuous CRP is designed for environmentally desirable land devoted to certain eligible practices. For additional information contact our office.

USDA SERVICE CENTER SIGN IN SHEET

For outreach purposes, the USDA Service Center will now have a sign in sheet, to keep track of who comes into the office, and what agency they are here to see. This will help us when completing reports for the State and National Offices.

USDA ENACTS CHANGES TO PAYMENT LIMITATIONS, INCOME QUALIFICATIONS, AND IMPLEMENTS DIRECT ATTRIBUTION PROGRAMS

With the publication of an interim final regulation in the Federal Register, the United States Department of Agriculture announced changes to Adjusted Gross Income (AGI) qualifications, program payment limitations, and direct attribution for Farm Service Agency (FSA) and Natural Resources Conservation Service (NRCS) programs, which became effective in accordance with the 2008 Farm Bill.

Public comments on this interim final rule must be submitted to the Department within 30 days of the date of publication.

"Changes to program participation rules and qualifying income requirements will make farm program payments more defensible to America's taxpayers," Agriculture Secretary Ed Schafer said. "This is a step in the right direction to ensuring that program benefits are targeted to active qualifying farmers and ranchers."

For commodity and disaster programs, the AGI limitation was reduced from \$2.5 million AGI 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.

The definition of income derived from farming, ranching and forestry operations was expanded to include, among other items, such items as the packing, storing and transporting of agricultural commodities; production of livestock products; farm-based production of renewable bio-energy; and in some instances, the providing of operational inputs to farmers, ranchers and foresters.

For conservation programs, the average nonfarm 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.

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. The interim final rule requires each partner, stockholder, or member with an ownership interest to make a contribution of active personal labor or active personal management. The contribution must be regular and substantial, and documented as well as separate and distinct from any other member's contribution. The rule limits the ability of passive stockholders to continue to realize benefits from the entity.

DCP SIGN UP DEADLINE

The June 1, 2009 deadline is mandatory for all participants. **USDA will not accept any late-filed applications.** USDA 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, eligible producers may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. USDA will issue advance direct payments beginning December 2008. Counter-cyclical payment rates vary depending on market prices. Counter-cyclical payments are issued only when the effective price for a commodity is below its target price. The effective price for each covered commodity and peanuts equals the direct payment rate plus the higher of the national average market price received by farmers during the 12-month marketing year or the national average loan rate.

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, by the June 1st deadline.

ACCESSING FARM MAPS

Due to the Freedom of Information Act (FOIA), this office will no longer be able to provide farm maps to anyone that is not the current owner or operator of the farm. If you are a land owner and have intentions of selling the land, or plan on changing operators, we will require written permission prior to giving information to anyone but the current owner or operator.

IMPORTANT DATES TO REMEMBER:

January 31, 2009	Last day to sign up for Wool, Mohair, Unshorn Pelt LDP's
February 16, 2009	Office Closed – President's Day
February 27, 2009	Crop Disaster Sign-up Deadline
June 1, 2009	DCP Sign-up Deadline

- Call FSA prior to breaking up sod (new land) and before planting a crop on sod.
- IMMEDIATELY...Notify county office of direct deposit changed, farm record changes, or management changes.

LDP's on WOOL, MOHAIR, AND UNSHORN PELTS

Producers of wool, mohair, or unshorn sheep going to slaughter need to have a signed CCC-633, page 1 on file at the FSA office prior to loss of beneficial interest in the commodity. Once you have sold or have a weight on the commodity you need to bring them into our office to complete the application for payment. The deadline for requesting Loan Deficiency Payments for wool, mohair, and unshorn pelts for the 2008 crop year is January 31, 2009.

"The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer."

Special Accommodations will be made for the physically handicapped, vision- or hearing-impaired person upon request. If accommodations are required, please call Sue Willey, CED at (307) 347-2456.