



BAKER COUNTY FARM SERVICE AGENCY

February 2010

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(541) 523-7121 Ext. 2 FAX: (541) 523-2184

COUNTY OFFICE STAFF

Trent Luschen, County Executive
Director
Dyann Brosnan, Program Technician
Joey Berry, Program Technician
Nathan Wilson, Farm Loan Officer
Patty Dadey, Farm Loan Manager

COUNTY COMMITTEE

Kate Rohner, Chairmen
Perry Jacobs, Vice-Chairmen
Wells Wyatt, Member

COC Meeting time: Friday of
the 3rd full week of the month.
Subject to change.

Signups

Signup for the 2008 Supplemental Revenue Assistance Payments program (**SURE**) began on January 4, 2010.

Enrollment for the 2010 Direct and Counter-cyclical Program (**DCP**) has begun and will continue through June 1, 2010. USDA urges producers to make use of the eDCP automated website to sign up, or producers can visit any USDA Service Center to complete their 2010 DCP contract.

Contracts received after June 1st, 2010 will not be accepted

The optional **ACRE** Program 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. The June 1, 2010, deadline is mandatory for all participants. USDA will not accept any late-filed applications. 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.

For more information on these programs, call Dyann @ 541-523-7121 ext. 105.

Need a new hay barn?

If you are in need of on-farm hay, grain or silage storage facilities, you should contact the office for information on the Farm Storage Facility Loan (FSFL) program. This program provides low-interest financing for producers of eligible commodities to build or upgrade farm storage and handling facilities.

Loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department the current rates are between 3 & 4%.

An FSFL must be approved before any site preparation or construction can begin. For more information about FSFL please visit the office or www.fsa.usda.gov.

For more information contact Joey @ 541-523-7121 ext. 103



Farm Reconstitutions

Winter is a good time to get your farm operation records in order. In program terminology, farms are *constituted* to group all tracts having the same owner and operator under one farm number. When changes in owner or operator take place on a piece of land, a farm *reconstitution* is necessary. This is the process of combining or dividing farms or tracts of land based on the farming operation. So, if you have had any changes to your operation call or visit the office to provide us with the new information. This will save you time during your busy planting or harvesting seasons. If any of the following apply:

- Part of a farm or tract is sold, ownership is transferred
- An entire farm or tract is sold to 2 or more persons
- Farm ownership is transferred to 2 or more persons
- Tract ownership is transferred to 2 or more persons.

The reconstitution designation by landowner method may be used. This is the division of bases in the manner agreed to by the parent farm owner and purchaser or transferee. Forms are required to be signed by both the seller and the buyer.

Complaint Process

After an FSA official makes a decision on your request for USDA services or application, you will be sent a letter informing you of the decision and options you can pursue if you disagree. Generally, program participants have four choices – 1) an informal review with the original agency decision-maker, 2) an opportunity for mediation, 3) appeal to State Committee and/or 4) appeal to the USDA National Appeal Division (NAD).

"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 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."

ANNUAL REMINDERS

Spousal Signatures: Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation (CCC) programs in which either has an interest. In most cases, this option is automatically available unless a request for exclusions is made to the county office staff by either spouse.

Power of Attorney: We have a power of attorney form available for those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., that enables you to designate another person to conduct your business at the FSA office. This can be done by completing an FSA-211, Power of Attorney. The form is available at your local USDA Service Center or online at: <http://forms.sc.egov.usda.gov>

Forms obtained and completed outside the USDA Service Center office must be notarized. To find out more, call the office.

Foreign Landowners: The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA. Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

Faxed Signatures: Certain faxed signatures shall be accepted for all applicable program forms or other documents approved for faxed signatures, if all other requirements are met.

Direct Deposit Mandatory: As of Jan 1, 1999, all payments issued by the county FSA office will be by direct deposit (electronic funds transfer) to a pre-designated checking or savings account with your financial institution. Forms are available at the FSA office to sign up for direct deposit if you haven't yet. For those already signed up, it is important that we are notified anytime there is a change in your account number or financial institution. If we are not notified timely, future payments may be delayed.

Controlled Substance: Any person who is convicted under federal law of planting, producing, cultivating, harvesting, growing, or storing a controlled substance will be ineligible to participate and receive payments under USDA programs. Marijuana, opium poppies, and other drug producing plants are controlled substances.

Reasonable accommodations will be made, upon request, for individuals with disabilities, vision impairment or hearing impairment. If special accommodations are required, please call the FSA County Office staff, and we will be happy to make any arrangements that are necessary.

Civil Rights Compliant Process

Any person, class or group of persons may file a discrimination complaint within 180 days of an alleged discriminatory action. Complaints may be filed in writing or orally with the agency head, any designated agency official or the Secretary of Agriculture, U.S. Department of Agriculture, Washington D.C. 20250. Assistance in filing a complaint can be obtained by calling or visiting the FSA

Data-Sharing with IRS

FSA and IRS have finalized a data-sharing process for average AGI compliance and verification. IRS will report the results to FSA on a regular basis. FSA will use this information to determine whether a program participant complies with the average AGI limitations, or if further review is required.

Program participants are now required to submit form 927 or 928 to the IRS by June 1st, 2010. These forms are available at FSA and NRCS offices and online at <http://intra3.fsa.usda.gov/dam/ffasforms/forms.html> or <http://fsaintranet.sc.egov.usda.gov/fsa>. Failure to provide this form may require refund of applicable payments received from FSA and NRCS for the years 2009 and 2010.

County Committee (COC) Election Results

County Committee (COC) elections were held this year for Local Administrative Area (LAA) 2, cover the Northeastern portion of Baker County. The results of the election are as follows...

LAA 3 Election Results:

- Perry Jacobs-Re-elected
- Dan Forsea-First Alternate
- Gordon Summers- Second Alternate

2010 County Committee organization is:

- Kate Rohner — Chairperson
- Perry Jacobs — Vice-Chairperson
- Wells Wyatt — Member

A big thanks goes out to those that participated in the 2009 COC election.

Timely Filing of Loss

The CCC-576, Notice of Loss, is used to report production or grazing losses, failed acreage, and prevented planting and may be completed by any producer with an interest in the crop. Timely filing a Notice of Loss is required on ALL CROPS INCLUDING GRASSES. For losses on crops covered by the Noninsured Crop Disaster Assistance Program (NAP), you must file a CCC-576 (notice of loss) in the FSA County Office within 15 calendar days of the occurrence of the disaster or when losses become apparent. **You are responsible for promptly notifying the FSA County Office of any losses.**

If filing for prevented planting, an acreage report and CCC-576 must be filed within 15 calendar days of the final planting date for the crop.

Conservation Reserve Enhancement Program (CREP)

Agricultural landowners can enroll eligible riparian lands into a 10 to 15-year CREP Contract and receive annual conservation payments, cost-share payments and incentive payments for the riparian restoration practices. CREP is a continuous sign-up program and are not ranked. The most common practices are:

- Riparian Forest Buffer (a mixture of trees and shrubs 35'-180')
- Wildlife Habitat Buffer (grasses, shrubs, and forbs 20'-180')

PAYMENT LIMITATION AND ELIGIBILITY

New forms will need to be completed to comply with new payment eligibility provisions. While completing the new form, producers will need to provide an estimated percentage for each source of the farming capital (non-borrowed capital, bank loan, FSA loan, FSA payments, etc.).

Payment limitations are \$40,000 for DCP direct payments, \$65,000 for Counter-Cyclical and ACRE payments, \$100,000 for NAP, \$100,000 combined for SURE, LIP, LFP, and ELAP, \$50,000 for CRP annual rental and one time payments, and unlimited for LDP's and market gains. Payment limitation is now made by direct attribution whether interest is held as individuals or entities. "Person" determinations and the 3 permitted entity rules no longer apply.

All members of all entities, joint ventures, and partnerships must now be providing active personal labor and/or active personal management that can be documented and performed on a regular basis & critical to the operation. Some exceptions apply for spouses where the labor and management of one spouse may be credited to the other.

Another change in eligibility is that program payments are limited by direct attribution of payment totals directly to individuals or indirectly to individuals through 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 entity and also the individual, both directly and indirectly as an officer, partner or shareholder in an entity. Qualifying spouses are eligible to be considered separate persons for payment limitation purposes, rather than being automatically combined under one limitation.

Also, 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 information on how these provisions apply to your own situation, contact your local FSA office.

Actively Engaged

USDA has amended the rules that govern the requirements to be '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) program administered by the FSA.

Every stockholder or member of a legal entity, such as a corporation, does not have to contribute labor or management if 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 that altogether qualifies as a significant contribution to the farming operation;
- The total direct payments received, both directly and indirectly, by the legal entity and each of the members can not exceed \$40,000.

Required Acreage Reports

Producers are always encouraged to timely report all cropland and grass, but in the following situations, acreage reports will be required:

- ❖ Acreage enrolled in the Conservation Reserve Program (CRP) or Grassland Reserve Program (GRP)
- ❖ Acreages of crops covered by NAP (Non-insured Crop Disaster Program)
- ❖ All the crop land on farms enrolled in the DCP or ACRE Programs
- ❖ All the acreage of a commodity for which a Commodity Loan or Loan Deficiency Payment will be requested
- ❖ All crops on a farm for SURE Participation
- ❖ Pastureland or grazing land for which LFP benefits may be requested.

Measurement services are available if producers are unsure of the acres. Advantages of having acreages measured insures an accurate report of acreage.

Deadlines to complete a timely acreage report are:

- ❖ **15 days before the onset of grazing** or haying for NAP crops intended for grazing
- ❖ **August 15th** for all crops

Late filed acreage reports are available if you miss the deadlines for a fee per farm. Existence and disposition of the reported crop must be verified.

Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Provision (Reminder)

In order to ensure compliance with the Conservation Provisions, prior to planting an annual crop or altering a wetland, a HELC & WC determination must be completed by NRCS for this acreage. Failure to comply could result in the loss of all program benefits.

Annual Reminder of Fruit and Vegetable Limitations or Restrictions on ACRE/DCP Farms

Fruits and vegetables (FAV) may be limited or restricted on DCP farms and may result in a payment reduction or violation provisions. However, FAV may be planted on DCP base acres and a DCP contract violation will not occur if any of the following exceptions to the planting restriction rule apply:

- Double-Cropping Exception
- Farm History Exception
- Producer History Exception

Contact the office for further clarification on these exceptions before planting FAV's.

**Baker County FSA Office
3990 Midway Dr
Baker City, OR 97814**

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