



# DISTRICT #6 FSA NEWS

March 2010



## DCP/ACRE SIGNUP UNDERWAY

**SERVING BUTLER, COWLEY,  
HARPER, HARVEY, KINGMAN,  
McPHERSON, MARION, RENO,  
RICE, SEDGWICK AND SUMNER  
COUNTIES**

**Service Center Hours**  
Monday – Friday  
8:00 AM – 4:30 PM

### Consent to Disclose Tax Information

USDA Farm Service Agency (FSA) and Natural Resource Conservation Service programs (NRCS) are subject to average adjusted gross income (AGI) compliance. Written consent is required from each producer to allow the IRS the ability to compare AGI's certified with FSA. **All producers MUST submit a CCC-927 (for individuals) or a CCC-928 (for entities) to the Internal Revenue Service (IRS) within 60 days of being signed, and no later than June 15, 2010.** Failure to file these documents may result in a refund of the 2009 and/or 2010 program payments.

*As with all government documents, these forms must not contain pencil or 'white-out' (i.e. Liquid Paper). Forms may be obtained from a USDA Service Center, your tax accountant or on-line at [www.fsa.usda.gov/ks](http://www.fsa.usda.gov/ks). This form must be sent directly to the IRS.*

The IRS address is:

**Internal Revenue Service-USDA  
P.O. Box 24033  
Fresno, CA 93779**

### RECORD CHANGES

Farm record changes such as **land purchases, land sales, addition or removal of rented land, deceased individuals, etc.** must be reported to the FSA Office within 30 days from the occurrence. For farm ownership changes you will need to provide a recorded deed or land contract. Failure to maintain accurate records with FSA on all land you have an interest in could lead to possible *ineligibility* for USDA benefits.

### In the Spotlight

**May 25** Office closed for Memorial Day

**May 31** Final date to certify small grain acres

**June 1** Final date to sign-up for the 2010 DCP & ACRE programs

**August 1** Final date to certify spring seeded crops and CRP

Producer enrollment in the Direct & Counter-cyclical Program (DCP) and Average Crop Revenue Election (ACRE) program contracts is taking place now through the established June 1, 2010 deadline.

To basically qualify for DCP, operators and owners must share in the risk of producing an eligible crop on FSA farm base acres enrolled and be entitled to a marketing share from the crop. Eligible base crops are: wheat, corn, sorghum, barley, oats, soybeans and upland cotton. DCP direct payment rates for these crops are: wheat: \$0.52/ bu; corn: \$0.28/bu; sorghum: \$0.35/bu; barley: \$0.24/bu; oats: \$0.024/bu; soybeans: \$0.44/bu; upland cotton: \$0.0667/lb. Producers may elect to receive their DCP direct payments in 2 installments. The first or advance payment represents 22% of the total earned payment by crop and farm and is chosen by the producer when they wish to receive it. The second or final payment is the balance of the payment earning that is automatically issued to producers in October.

In addition to the direct payment, DCP has a counter-cyclical component also. The counter-cyclical payment rate is the amount by which the FSA target price of each crop exceeds its effective price. The effective price equals the direct payment rate plus the higher of the national average market price during the marketing year as determined by USDA or the national loan rate. Under the ACRE program, producers receive specific revenue based payments as an alternative to the price based DCP counter-cyclical payment and reduced rate (by 20%) direct payments. An ACRE election for a farm is permanent and irrevocable through the term of the Farm Bill program in 2012. ACRE payment acreage is limited to the total of base acres on the farm and earnings can only be issued when both farm and state trigger levels are satisfied. To meet the state trigger, the actual State revenue for the program year must be less than the State ACRE guarantee. To meet the farm trigger, a participating farm's actual revenue must be less than the farm ACRE guarantee. Annual crop production as well as a total cropland acreage report are required to be filed by producers.

No farm with 10 or less base acres shall be eligible to participate, except those farms where at least 50% of the ownership interest is held by a socially disadvantaged or limited resource farmer or rancher.

Producers are encouraged to contact their local county FSA office soon to perform their DCP/ACRE signup activities and are solely responsible for ensuring that enrollment occurs timely and properly. There are no late filing provisions allowed.

### SURE Sign-up for Crop Production Loss

Sign-up for the 2008 Supplemental Revenue Assistance Payments program (SURE) began on January 4, 2010. SURE 2008 is for those who suffered crop production losses during crop year 2008.

SURE provides crop disaster assistance payments to eligible producers on farms that have incurred crop production or crop quality losses. The program takes into consideration crop losses on all crops grown by a producer nationwide. SURE provides assistance in an amount equal to 60 percent of the difference between the SURE farm guarantee and total farm revenue. The farm guarantee is based on the amount of crop insurance and Non-insured Crop Disaster Assistance Program (NAP) coverage on the farm. Total farm revenue takes into account the actual value of production on the farm as well as insurance indemnities and certain farm program payments.

Producers with a farming interest physically located in a county that was declared a primary disaster county or contiguous county by the Agriculture Secretary must have suffered *at least a 10 percent production loss on a crop of economic significance*. Producers must meet the risk management purchase requirement by either obtaining a policy or plan of insurance, under the Federal Crop Insurance Act or NAP coverage, for all economically significant crops. Producers considered socially disadvantaged, a beginning farmer or rancher, or a limited resource farmer may be eligible for SURE without a policy or plan of insurance or NAP coverage.

If there is no Secretarial Disaster Designation, individual producers may also be eligible for SURE if the actual production on the farm is *less than 50 percent of the normal production on the farm* due to a natural disaster. For SURE, a farm is defined as all crops in which a producer had an interest nationwide.

For more information on the new SURE program, please visit the county office or <http://www.fsa.usda.gov>

### 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.

### ACREAGE REPORTING REQUIREMENTS

To avoid a late file fee of \$46 per farm, all 2010 small grain crops must be reported by May 31, 2010. Producers are reminded that acreage reports are required to receive payments from FSA programs. These programs include but are not limited to: Price Support Loans, Loan Deficiency Payments (LDP's), Conservation Reserve Program (CRP), and Non-insured Assistance Program (NAP). You will need planting dates when you report.

### FOREIGN INVESTORS

Foreign investors who buy, sell, or hold a direct interest in U.S. agricultural land must report their holdings to the FSA office in the county where the land is located. Those buying or selling must report the transaction *within 90 days* of the date of the transaction.

### RURAL ENERGY FOR AMERICA PROGRAM

USDA Rural Development (RD) offers Grants and Guaranteed Loans to eligible Rural Small Business and Ag Producers for the purpose of creating renewable energy systems or to making energy efficiency improvements. This program, known as the Rural Energy for America Program (REAP), can provide eligible applicants with a grant not to exceed 25% of the total eligible project cost. Minimum grants are \$1,500 for energy efficiency projects and \$2,500 for renewable energy systems, with maximum grants of \$250,000 and \$500,000 respectively. Applicants must provide at least 75% of the total eligible project cost as matching funds. However, up to 50% of the cost can be in the form of a RD guaranteed loan.

Eligible renewable energy projects include projects that produce energy from wind, solar, biomass, geothermal, and hydrogen-based sources. The project can produce any form of energy, including, heat, electricity, or fuel.

Most projects that reduce energy consumption and result in savings are eligible as energy efficiency projects. These include projects such as retrofitting windows, lighting or insulation, or purchasing and replacing equipment with more efficient units. Examples include heating and air-conditioning systems, refrigeration systems, irrigation systems, pumping systems, etc.

For more information and to discuss the application process, please contact Doug Clary, Area Specialist with the USDA Rural Development office located at 1405 S. Spencer Rd., Newton, KS. 67114 or call (316) 283-0370, etc. 4.

### FARM LOANS AVAILABLE

Low interest FSA farm loans are available, while funds last, at interest rates between 2.875% and 4.75%. Use the funds to refinance debt, purchase land, equipment and livestock, or for help with annual operating expenses with no money down. Special opportunities are also available for beginning farmers.

If interested please contact **Gary Nuss**, Farm Loan Manager Winfield FSA/Farm Loan Programs (620)221-2060; **Limual Vinson**, Farm Loan Manager Wellington FSA/Farm Loan Programs (620) 326-2269; or **Ray Bartholomew**, Farm Loan Manager South Hutchinson FSA/Farm Loan Programs (620) 669

**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.

### NONDISCRIMINATION STATEMENT

"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 USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer."