

USDA - FARM SERVICE AGENCY – LANE CO

780 Bailey Hill Rd Suite 5
Eugene OR 97402-5451



Voice: 541.465.6443 Ext 2
FAX: 541.465.6483
www.fsa.usda.gov/or

COUNTY COMMITTEE

Pam Detering, Chairperson
Andy Petersen, Vice-Chairperson
Darrel Spiesschaert, Member

OFFICE STAFF

Jean A Larkin, CED X101
Patti S Anderson, PT X100
Phillip R Morton, PT X105

jean.larkin@or.usda.gov
patti.anderson@or.usda.gov
phillip.morton@or.usda.gov

Farm Loan Officers, Tangent Service Center
541.967.5925

Donna Sprenkle, X104
Katie Hennessy, X105

donna.sprenkle@or.usda.gov
katie.hennessy@or.usda.gov

Hours: Monday - Friday, 8:00 am – 4:30 pm **Publish Date: April 20, 2009**

Celebrate Asian American/Pacific Islander Heritage during May

BUY-IN WAIVER EXTENSION APPROVED FOR DISASTER ASSISTANCE PROGRAMS

Producers have an opportunity to become eligible for several programs if they suffered 2008 agricultural losses due to a natural disaster. Producers who did not obtain Crop Insurance (FCI) or Non-insured Assistance Program (NAP) coverage for 2008 can pay a buy-in fee thru May 18, 2009, to become eligible for 2008 disaster assistance programs authorized by the Food, Conservation, and Energy Act of 2008.

Producers who have not already taken the necessary steps to become eligible for the Supplemental Revenue Assistance Program (SURE), Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish (ELAP), and the Tree Assistance Program (TAP) are required to submit the appropriate payment and paperwork. Contact our office for details immediately.

Producers who choose to "buy in" under this provision will be considered, for insured crops, to have obtained a policy or plan of insurance for the 2008 crop year at a level of coverage not to exceed 70 percent of the yield at 100 percent of the price. For non-insurable crops, producers will be considered to have a level of coverage equal to 70 percent of the yield. These levels of coverage will be used to calculate the 2008 SURE guarantee.

REPORT CROP ACRES - DEADLINE IS June 30, 2009

- ❖ File an accurate and timely report for all crops and land uses, including failed acreage, to prevent loss of benefits for a variety of FSA programs.
- ❖ All cropland on the farm must be reported to receive benefits from: Direct and Counter-cyclical Program (DCP), marketing assistance loans and Loan Deficiency Payments, Conservation Reserve Program (CRP), and Non-insured Assistance Program (NAP).
- ❖ Crop reports on form FSA-578, Report of Acreage, must account for all cropland on a farm, whether idle or planted. Producers are required to file reports by June 30, 2009.
- ❖ Prevented Planted crops need to be reported no later than 15 calendar days after the final planting date.
- ❖ Failed Acreage reports must be filed before disposition of the crop, and producers must be able to establish to the satisfaction of the county committee that the crop failed and was prevented from being replanted through the normal planting period because of natural disaster conditions.

MEASUREMENT SERVICES ARE AVAILABLE If you are unsure of crop acreages, you may request measurement service through our office. Both in-field and in-office options are available as follows:

Mandatory Rates requiring a Farm Visit				Minimum Cost of \$46.00
Basic Farm Fee	\$30.00	Plus	First Hour Fee \$ 16.00	Each additional 30 minutes cost \$8.00
Mandatory Rates not requiring a Farm Visit (using digital imagery)				Minimum Cost of \$23.00
Basic Farm Fee	\$15.00	Plus	First 30 minutes \$ 8.00	Each additional 30 minutes cost \$8.00

CONSERVATION FUNDING AVAILABLE FOR MANAGEMENT ON ORCHARDS & PRIVATE FORESTS UNTIL MAY 15

Funding is available for management activities on orchards and forest lands through the 2009 Lane County Air Quality Initiative. The program is a special sign-up of the Environmental Quality Incentives Program (EQIP) that runs from **April 13 until May 15, 2009**.

Through the sign-up, Lane County orchardists and private, non-industrial forest landowners may submit an EQIP application requesting funding and planning assistance to remove, chip or otherwise treat woody debris and prunings on orchards and forest lands. Practices for forest lands also include pre-commercial thinning, tree and shrub pruning, and fuel and fire breaks.

The purpose of the program is to help landowners and growers protect air quality from the impacts of burning orchard clippings and forest debris. The program aims to reduce air particulates generated by the use of fire as a management tool. The program also emphasizes activities that reduce wildfire hazards.

Additional information, payment rates, and application materials can be found on the NRCS Web site at: <http://www.or.nrcs.usda.gov/programs/EQIP/#air> Local contact info: Tom Burnham (Ext 108, tom.burnham@or.usda.gov) or Nick Vira (Ext 125, nick.vira@or.usda.gov) with the Eugene NRCS Office located in our Service Center. Phone: 541.465.6443.

Sign up for eGov, to conduct business with FSA. Go to <http://www.sc.egov.usda.gov> and use your home computer to file forms, apply for programs, check contracts and view your Customer Statement or payment history. All you need is Level 2 eAuthorization, a valid email account and your home computer. Contact us for more details.

ANNUAL REMINDERS

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. Problems can arise with complying with a conservation system when: renting new cropland, purchasing new land, breaking out additional cropland, planting different crops, and changing or removing existing conservation practices.

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

CONTROLLED SUBSTANCES 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. Code of Federal Regulations (7 CFR part 718.6)

PROOF OF OWNERSHIP REQUIRED FOR LAND CHANGES An owner is an individual or entity who has legal ownership of farmland, including individuals or entities that are any of the following: 1) buying farmland under a contract for deed; 2) retaining a life estate; 3) purchasing a farm in foreclosure; 3) spouses owning property jointly.

Proof of ownership must be provided when land ownership is transferred. Proof of ownership may include the following: a) copy of deed, if recorded; b) land contract; c) real estate tax assessment or bill.

POWER OF ATTORNEY Our office has a Power of Attorney form (FSA-211) that can be completed allowing someone to sign on your behalf when you're unable to visit the office to complete paperwork. The form is available in our office or online at <http://forms.sc.egov.usda.gov> **the form must be witnessed by an FSA employee or be notarized.** Beginning in 2009, FSA and Natural Resources and Conservation Service (NRCS) utilize the same power of attorney form.

APPEAL PROCESS After an FSA official makes a decision on your request or application for USDA services, you will be sent a letter informing you of the decision and options you can pursue if you disagree. Generally, appellants have three choices – an informal review with the original agency decision-maker, an opportunity for mediation and finally an appeal to the next level of authority within the agency.

ADDITIONAL PAYMENT LIMITATION INFORMATION

(The January 2009 newsletter contained details regarding Direct Attribution, Adjusted Gross Income (AGI), and Payment Limitation Amounts. Call us to have a copy of this newsletter sent to you again if you want a refresher.)

All members of all entities (this includes joint ventures and partnerships) must now be providing active personal labor and/or active personal management that can be documented and is 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.

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.

No program benefits subject to limitations will be provided until **all** required forms are provided and payment eligibility and limitation determinations have been completed.

Payment eligibility and limitation determinations may be initiated by County Committee or requested by the producer.

After 2009, farm operating plans are **not** required to be filed annually if the farming operation continues to be conducted as reflected on the CCC-902 operating plan and supporting documents are on file in the County Office.

If any changes occur that could affect an actively engaged in farming, cash-rent tenant, foreign person, or average AGI determination, producers **must timely notify** the County Office by filing revised farm operating plans and/or supporting documentation. Failure to timely notify the County Office may adversely affect payment eligibility.

Provisions require entities earning program benefits that are subject to limitation to provide the names, addresses, and tax ID numbers of the entities' members.

All payment eligibility and limitation forms submitted by producers are subject to spot check through the end-of-year review process.

A determination of **not actively engaged in farming** results in the producer being ineligible for any payment or benefit requiring a determination of actively engaged in farming.

Non-compliance with AGI provisions, either by exceeding the applicable limitations or by failure to submit a certification statement, will result in the determination of ineligibility for **all program benefits** subject to AGI provisions; program benefits shall be reduced in an amount that is commensurate with the direct and indirect interest held by an ineligible person or legal entity in any legal entity, general partnership, or joint operation that receives benefits subject to the average AGI limitations.

FARM STORAGE FACILITY LOANS (FSFL) Low cost loans for storage facilities are available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, rice, soybeans and corn. The seven-year Farm Storage Facility Loans are available for the purchase and installation of eligible storage facilities, permanently affixed drying or handling equipment, or remodeling existing facilities. Eligible facilities include new conventional-type cribs or bins and new and remanufactured oxygen-limiting and other upright silo-type structures. All FSFL's are secured by a promissory note and security agreement. The maximum amount that may be borrowed is 85 percent of the net cost of the storage or handling equipment, up to \$100,000 for each borrower; a down payment is required. Current interest rate is 2.5%.

FARM RECONSTITUTIONS EXPLAINED

In program terminology, farms are constituted to group all tracts having the same owner and the same operator under one farm serial number. When changes in ownership or operation take place, a farm reconstitution is necessary. The reconstitution, or recon, is the process of combining or dividing farms or tracts of land based on the farming operation. The following are the different methods used when completing a farm recon. To be effective for the current year, recons must be requested by August 1 for farms enrolled in the Direct and Counter-cyclical Program. If DCP direct payments have already been issued on a particular farm, the reconstitution will be effective for the next year, unless the payments are refunded.

- ❖ **Estate Method** — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;
- ❖ **Designation of Landowner Method** — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;
- ❖ **DCP Cropland Method** — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;
- ❖ **Default Method** — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

NON- INSURED ASSISTANCE PROGRAM (NAP)

NAP provides financial assistance to eligible producers affected by weather related disasters on non-insurable crop(s) losses. The disaster must have reduced your expected production of the crop by more than 50% and pays 55% of the approved price. Eligible crops include commercial crops and other agricultural commodities produced for food (including livestock feed) or fiber for which the catastrophic level of crop insurance is unavailable.

Actual Production History (APH) will be established for those purchasing NAP. Production records will be submitted for at least the previous four and not more than ten consecutive crop years. Production must be submitted each year by the production report date, June 30th of the subsequent crop year. Failure to submit production could result in reduced or no benefits under NAP in the event of a crop loss.

Producers who have paid for NAP coverage and suffer a weather related crop loss must notify the FSA office by completing form CCC-576 within 15 days of the date of the weather event or are aware of the crop damage. An appraisal must be performed on any acreage for which the intended use has changed or for any acreage that will not be taken to harvest prior to destroying or abandoning crop acreage. Failed acreage must be reported prior to destroying or abandoning crop acreage.

Producers enrolled in NAP are subject to the following: Average Adjusted Gross Income, Payment Limitation, and Conservation Compliance rules. Annual payment limitation of \$100,000 applies to NAP per crop year.

NAP Terms & Conditions, Basic Provisions (form CCC-471 NAP BP) is available at <http://www.fsa.usda.gov> Note: After accessing the web site, CLICK "Disaster Assistance Programs". On the Disaster Assistance Programs Home Page CLICK "View NAP Basic Provisions" located under "I Want To..."

2009 DIRECT & COUNTER-CYCLICAL PAYMENT (DCP) PROGRAM ENROLLMENT DEADLINE EXTENDED TO AUGUST 14, 2009 *Call Phil at Ext 105 for details and to make your appointment to enroll*

The Secretary of Agriculture has responded to producers' concerns about needing time to make an informed decision on ACRE and having adequate time to add pulse crop base acres. As a result, the deadlines for enrolling in DCP, electing and enrolling in the ACRE Program, and adding pulse crop base acres have been extended to August 14, 2009. FSA will not accept any late-filed applications.

Reminder of previously announced info: Producers sharing in the DCP payment are required to sign the contract (form CCC-509) by August 14, 2009. All supporting documentation (i.e. CCC-902, AD-1026, CCC-926, leases, etc) must be submitted before payments can be issued. Annual acreage reports are required to be filed by June 30, 2009.

Producers who are eligible for the DCP Program will also be eligible to enroll in the Average Crop Revenue Election (ACRE) Program.

AVERAGE CROP REVENUE ELECTION PROGRAM (ACRE)

ACRE is a component of the Farm Bill safety net that protects against crop revenue shortfall resulting from price and/or production declines at the state and farm level. A farm must have base acres on it to be eligible. All producers (operator and owners) on a farm must agree to participate in ACRE and file an election form. Once the decision has been made to participate in ACRE, it is irrevocable. By enrolling a farm in ACRE that farm is no longer eligible for counter-cyclical payments, a 20% reduction in direct payments will apply and a 30% reduction in marketing assistance loan rates will apply. Payments are based on crops planted on the farm, not base acres, but the planted acres in which payment is calculated cannot exceed the total base acres on the farm. If enrolled in ACRE, five years of production data must be provided to establish a crop history and annual submission of production records are required.

Farms enrolled in ACRE may receive two types of payments: direct payments and ACRE payments. For an ACRE payment to be made, two triggers must be met. 1. The State Acre Guarantee must exceed the Actual State Revenue, 2. The Farm Acre Benchmark Revenue must exceed Actual Farm Revenue. If these two triggers are met, the ACRE payment is calculated using the following calculation:

83.3% of the farms planted/considered planted acres for 2009-11; 85% in 2012 times (farm's expected yield divided by State benchmark yield) times lesser of (State ACRE Guarantee minus Actual State Revenue) or (State ACRE Guarantee times 25%)

USDA – FARM SERVICE AGENCY
LANE COUNTY OFFICE
780 BAILEY HILL RD STE 5
EUGENE OR 97402-5451

PRESORTED
STANDARD
US POSTAGE PAID
TUALATIN OR
PERMIT NO 71

RETURN SERVICE REQUESTED

Natural Resources Conservation Service (NRCS) has announced funding for management activities on working forest lands through the Healthy Forest Reserve Program (HFRP)

The Oregon HFRP sign up is open from **April 6 until April 30, 2009** for lands in Oregon's **Lane, Coos, Douglas, Josephine, Curry and Jackson Counties**.

In Oregon, the focus of HFRP is to help landowners manage their land for sustainable, profitable timber harvests while securing long-term protection from regulatory restrictions protecting the endangered Northern Spotted Owl under the Endangered Species Act (ESA). Through HFRP, landowners may apply for financial assistance. After developing a Forest Stewardship Plan, program participants receive funding to implement selected forest management activities, such as thinning, tree planting and stream buffers. With HFRP, landowners participate through one of the following enrollment options:

10-Year HFRP Restoration Agreement: Program participants develop a Stewardship Plan to manage the land for sustainable timber harvests and Northern Spotted Owl habitat and receive 50 percent of the cost of selected conservation practices. With HFRP, the landowners continue harvests as described in the Stewardship Plan.

HFRP Permanent Easement: With a permanent easement, landowners continue to manage the land for timber production while permanently maintaining the property as working forest land and Northern Spotted Owl habitat.

This is the first year HFRP has been available in Oregon. Additional information about HFRP in Oregon can be found online at: <http://www.or.nrcs.usda.gov/programs/hfrp/index.html> Based on funding, a limited number of applications will be awarded. HFRP is reauthorized under the 2008 Farm Bill; the proposed 2008 program rule can be viewed on the Federal Register Web site at: <http://www.nrcs.usda.gov/programs/farmbill/2008/pdfs/hfrp1-14-09.pdf>

Additional options for forest management assistance are available to private, non-industrial forest landowners statewide through Environmental Quality Incentives Program (EQIP). EQIP provides program participants with payments to offset the cost of developing forest management plans and installing conservation practices.

For more information on HFRP or EQIP, landowners and land managers can visit the NRCS Web site at: www.or.nrcs.usda.gov or contact Tom Burnham (Ext 108, tom.burnham@or.usda.gov) or Nick Vira (Ext 125, nick.vira@or.usda.gov) with the Eugene NRCS Office located in our Service Center. Phone: 541.465.6443.

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: USDA, Director, Office of Adjudication and Compliance, 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.