



MALHEUR COUNTY FARM SERVICE AGENCY



January 2009

Malheur County FSA Office

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Ontario, OR 97914
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County Committee Members

Scott Cruickshank, Chair
Fred Eiguren, Vice-Chair
Roger Findley, Member
Brian Kameshige, Advisor

Office Staff

Wes Jennings, CED
Jon Mills, FLM
Maria Lopez, FLO
Kyle Pottala, FLO
Denise Bishop, PT
Darlene Brandt, PT
Carla Dillon, PT
Maria Lujan, PT
Lori Yokom, PT

Office Hours

Monday through Friday
8:00 A.M. to 4:30 P.M.

Direct and Counter-Cyclical Program (DCP):

USDA's Farm Service Agency announced that enrollment for the 2009 Direct and Counter-cyclical Payment (DCP) Program for farms with base acres began on December 22, 2008 and will continue until June 1, 2009.

How are DCP payments figured?

USDA computes DCP Program payments (direct or counter-cyclical) 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 Dec. 2008. **Counter-cyclical payment** rates vary depending on market prices. Counter-cyclical payments are issued only when the effective price for a commodity is statutorily set below its target price. The effective price is the higher of the national average market price received during the 12-marketing year for each covered commodity and the national average rate for a marketing assistance loan for the covered commodity.

Average Crop Revenue Election (ACRE) Program

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 in Spring 2009.

The June 1, 2009 deadline is mandatory for all participants.
USDA will not accept any late-filed applications.

Help us, Help YOU!

With all of the changes that have been brought about by the 2008 Farm Bill, FSA needs your help! **All producers are required to fill out NEW eligibility paperwork for the up coming year.** In order to make this process proceed more efficiently, we need all producers to call and make an appointment for the 2009 sign-up period. Depending on the size of your operation, you should plan to spend around one to two hours at the county office. Of course, the office staff will still help producers that walk-in however if the staff is busy with appointments, you will be asked to make an appointment and come back at a later date.

To make an appointment, please contact the office staff at 541-889-9689 ext 2. Thank you for your understanding and cooperation with this matter.

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Malheur County Soil & Water Conservation District Annual Meeting

Ontario Blvd. Grange
February 10, 2009

Doors open at 11:30 A.M.
Meal served at 12:00 NOON

Please RSVP by February 5th
Call 541-889-2588 Ext. 101

NEW Changes to Payment Eligibility & Limitations:

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.

Limitations by direct attribution to each person or legal entity is as follows:

PROGRAM	LIMIT	PROGRAM	LIMIT
DCP Direct	\$40,000	SURE, LIP, LFP, ELAP	\$100,000
CC & ACRE	\$65,000		
NAP	\$100,000	CRP – annual rent	\$50,000
TAP	\$100,000	LDP & Mkt Gain	unlimited

Milk Income Loss Contract (MILC) Program:

The 2008 Farm Bill reauthorizes the MILC Program, which operates similarly to the counter-cyclical payment program for crops, and makes **three key changes** in program operation. Under the Farm Bill, the MILC payment rate and the per-operation poundage limit are modified, depending on when the milk is produced. In addition, a "feed cost adjuster," is introduced over the life of the Farm Bill, which adjusts the \$16.94 per hundredweight (cwt.) benchmark price upward depending on the cost of feed rations. When available, MILC payments are based on a payment rate percentage that is multiplied by the difference between a now-flexible target (\$16.94 per cwt. or higher) and the specific month's Boston Class I price of milk.

Eligible dairy producers are those who commercially produce milk in the United States. To receive program approval, producers must enter into a MILC contract with CCC and provide monthly milk marketing data. All payments in the program are subject to limits in the contract, regulations, and to changes in statutory provisions for payment.

Power of Attorney:

For producers who are experiencing difficulties visiting the county office because of work schedules, distance, health or other reasons, FSA has a power of attorney form available that enables you to designate another person to conduct your business at the office. If you are interested, please contact our office or any Farm Service Agency office near you for more information.

Reservoir Levels as of January 26, 2009:

Owyhee: 28%

202116/715000

Warm Springs: 11%

19175/169639

Beulah: 0%

237/59900

Bully Creek: 38%

8914/23676

Unity: 39%

9879/25200

Phillips: 50%

36338/73000

Thief Valley: 101%

13493/13307

*According to BOR web-site:
www.usbr.gov/pn/hydromet/ow
wytea.html

Important Dates:

December 22, 2008:
2009 DCP Sign-up began

February 03, 2008:
Onion Growers Annual Meeting
--- 4 Rivers Cultural Center

February 10, 2009:
Malheur County Soil & Water
Conservation District Annual
Meeting

RSVP by February 5th

February 10, 2009:
Malheur County FSA
Committee Meeting

February 16, 2009:
Office Closed in Observation of
Presidents' Day

June 1, 2009:
2009 DCP Sign-up Deadline,
No Late-file Provisions

Within 15 days:
NAP Notice of Loss (FSA-
576) must be filed within
15 days of loss or when
the loss became apparent.

NEW Changes to Adjusted Gross Income (AGI):

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. This means 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 activities, 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	\$500K NONFARM	\$750K FARM	\$1M - 66.66% AGI - FARM AGI
DCP/ACRE	<input checked="" type="checkbox"/>		
Direct payments	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
SURE, ELAP, LFP, LIP, TAP, NAP	<input checked="" type="checkbox"/>		
All Price Support Programs	<input checked="" type="checkbox"/>		
All Conservation Programs			<input checked="" type="checkbox"/>
All Other Programs	As Determined by the Regulations for each Program		

Farm Bill changes are to insure that active and eligible farmers and ranchers are the ones receiving program benefits. Lowering AGI ceilings, further defining farm and non-farm income and tightening the attribution of payments whether entities or individuals further strengthens these programs and targets those farms and ranches in need of this assistance.

County Committee (COC) Election Results:

Congratulations to Fred Eiguren! Fred was elected to represent producers from Local Administrative Area (LAA) # 1 on the Malheur County Committee. Fred was elected to his 1st term on the COC after serving as an Alternate-Member for the last 3 years. FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

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County Committee Organizational Meeting:

The committee members held their organizational meeting on January 13, 2009 to determine the organization of the COC. The structure of the Malheur COC for the 2009 calendar year will be as follows:

Scott Cruickshank, COC Chairman

Fred Eiguren, COC Vice-Chairman

Roger Findley, COC Member

Brian Kameshige, COC Advisor

Malheur COC will hold there Regular COC meetings at 1:00 P.M. the second Tuesday of each Month.

Special Accommodations:

"The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal agency that administers compliance with this law is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

USDA regulations prohibit discrimination in USDA programs because of your race, color, religion, sex, age, national origin, marital status, familial status, sexual orientation, disability; or because all or part of your income is derived from any public assistance program; or because you have filed a program complaint, participated in any program complaint proceeding, or opposed a prohibited practice.

If you believe that you have been discriminated against for any of the reasons stated above, you may file a complaint with the Director, Office of Adjudication and Compliance, United States Department of Agriculture, Room 326-W, Whitten Building, 1400 Independence Avenue, S.W. Washington, D.C. 20250-9410."