



Polk County News

Polk County FSA Office
580 Main Street Suite D – Dallas, OR 97338
Telephone: 503-623-2396 Extension 2
Fax: 503-623-6335
Website: <http://www.fsa.usda.gov/or/>
Email: jim.worledge@or.usda.gov

Ron Quiring, Chairman
Adam Loop, Vice Chair
Tom Crawford, COC Member
Sandy Moritz, Minority Advisor

Jim Worledge, CED – Ext 105
Laurie Johnson, PT – Ext 102
Beverly Schmidt, PT – Ext 100

Sharilyn Millette, Loan Mgr.
Kathey Naegeli, Loan Officer
Farm Loan employees are in
Marion FSA Office 503-399-5741 ext 2

January 2009

SOME IMPORTANT DATES

January 31, 2009 Crop Insurance Deadlines – 2009 AGR
February 2, 2009 Last day to request 2008 Wool, Mohair and unshorn pelts LDP's
February 16, 2009 Presidents Day – Office Closed

DCP Signup Underway

Signup has started for the 2009 Direct and Counter-cyclical Program (DCP) for farms with base acres. **We are enrolling producers by appointment, so please call our office to set up a time to come in.** New eligibility forms need to be completed, so allow additional time. Signup will continue until June 1, 2009. The June 1, 2009 deadline is mandatory for all participants. FSA will not accept any late-filed applications.

Generally, no producer on a farm that has a total of 10.0 base acres or less shall be eligible to receive DCP payments on that farm. However, the prohibition does not apply to a farm that is wholly owned by a socially disadvantaged or limited resource farmer or rancher.

FSA 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, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. Counter-cyclical payment rates vary depending on market prices and are issued only when the effective price for a commodity is statutorily set below its target price.

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. You may first enroll in the DCP Program, receive advance direct payments and then later modify your enrollment to include the ACRE program if you wish.

MILC Signup Underway

Signup for the Milk Income Loss Contract Program (MILC) is underway and will continue through the program's expiration date, Sept. 30, 2012.

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 2008 Act, 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. For more information on the MILC Program, contact our office.

Wool, Mohair and Unshorn Pelts LDP'S

The Farm, Conservation, and Energy Act of 2008 authorizes the Marketing Assistant Loans (MAL) and Loan Deficiency Payments (LDP) programs for the 2008 through 2012 crops of graded and ungraded **wool, mohair and unshorn pelts**.

February 2, 2009 is the deadline to apply for an LDP on your **2008** wool, mohair or unshorn pelts. The **2009** crop year for wool, mohair and unshorn pelt LDP began on January 2 and ends December 31, 2009. Producers may submit the form CCC-633EZ, page 1 for the 2009 crop year beginning October 1 of the preceding crop year, through the final loan availability date as long as the producer has beneficial interest in the commodity.

Payment Limits & Direct Attribution

To qualify for commodity and disaster programs under the new farm bill, applicants now must adhere to new **Adjusted Gross Income (AGI)** restrictions. The AGI ceiling limitation was reduced from \$2.5 million from all sources to a three-year average **non-farm AGI of \$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 (DCP).

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.

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 our office.

County Committee Election Results

Congratulations to Tom Crawford. Tom was re-elected to represent farmers from Local Administrative Area #3 on the county committee (COC). Tom was elected to his third consecutive term.

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. At the COC's organizational meeting on January 8th, Ron Quiring was elected to serve as Chairman, Adam Loop will serve as Vice Chairman and Tom Crawford regular member. Sandy Moritz has agreed to continue serving as our Minority Advisor.

Foreign Buyers Notification

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 with 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.

Controlled Substance

Any person who is convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant. Prohibited plants include marijuana, opium, poppies and other drug producing plants.

FSA Signature Policy

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits. The following are FSA signature guidelines:

- A married woman shall sign her given name: Mrs. Mary Doe, not Mrs. John Doe
- Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office
- Spouses shall **not** sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities
- All members of a general partnership must sign for the general partnership unless an individual is authorized to act on the behalf of the general partnership and bind all members
- Spouses may sign on behalf of each other's individual interest in a partnership, unless notification denying a spouse that authority is provided to the county office
- Acceptable signatures for general partnerships, joint ventures, corporations, estates, and trusts shall consist of an indicator "by" or "for" the individual's name, individual's name and capacity, or individual's name, capacity, and name of entity
- For a minor, FSA requires the minor's signature and one from an eligible parent. *Note:* by signing the applicable document, the parent is liable for actions of the minor and may be liable for refunds, liquidated damages, etc.
- When signing on one's behalf the signature must agree with the name typed or printed on the form, or be a variation that does not cause the name and signature to be in disagreement. Example - John W. Smith is on the form. The signature may be John W. Smith or J.W. Smith or J. Smith. Or Mary J. Smith may be signed as Mrs. Mary Joe Smith, M.J. Smith, Mary Smith, etc

Customer Statement

It's a new year and time to think about filing taxes. Producers with an USDA eAuthentication Level 2 account will be able to access their farm data via their Customer Statement. The Customer Statement puts a range of USDA services and programs into a single report that's at your fingertips and available online, 24 hours a day, seven days a week. It allows USDA customers to view their participation, application and payment status in various commodity and conservation programs; information on farm loans; and conservation plan and land unit information. Contact our office for more information on how to establish an eAuthentication Level 2 account.

Dallas Service Center
Polk County FSA Office
580 Main Street Suite D
Dallas, OR 97338-1911

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Persons with disabilities who require accommodations to visit the USDA Polk County Service Center should contact Jim Worledge at (503) 623-2396 extension 2, or email jim.worledge@or.usda.gov.

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.