

February 2010 Umatilla Co. FSA



Umatilla County FSA Office
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County Committee

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Dave Patton, Vice Chair
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Office Hours

Monday – Friday
7:00am to 4:30pm

County Committee Meetings

4th Thursday of the month

SURE...You may be eligible even though you don't think you are...Call us

Currently SURE Program sign ups are being taken for the 2008 Crop Year. The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disaster that incurred starting in the crop year 2008 through September 30, 2011. To be eligible for SURE payments, a producer is required to obtain crop insurance on all crops of economic significance in all counties or, if crop insurance is not available, to participate in the Non-Insured Assistance Program (NAP) except for grazed acreage.

Eligible farmers and ranchers who meet the definition of Socially Disadvantaged, Limited Resource, or Beginning Farmer or Rancher are exempt from the risk management purchase requirement.

The following are the conditions that trigger SURE payments:

- at least one crop of economic significance must suffer a 10% production loss due to an eligible disaster condition
- the crop of economic significance must be a crop that has contributed or would have contributed at least 5% or more of the total expected revenue from all crops on the farm
- the farm experiencing the loss must be in a county declared a disaster county by the Secretary of Agriculture, or in contiguous counties. Those who show proof of an individual loss of at least 50% are also eligible to receive SURE payments for production losses or crop quality losses.

Losses are measured with consideration to the whole-farm revenue, which includes crop insurance indemnities and commodity program payments, so that producers are not paid more than once for the same loss.

A SURE calculator is available at: http://www.fsa.usda.gov/Internet/FSA_File/sure_calculator_2008.xls. The calculator is not official, but is intended for educational use. A fact sheet and Q & A are also available online at www.fsa.usda.gov.

2010 DCP Signup

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.

USDA 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 2010, eligible producers may request advance direct payments based on 22 percent of the direct payment.

ACRE

The optional ACRE Program provides a safety net based on revenue losses and acts in place of the price-based safety net of counter-cyclical payments under DCP. The June 1, 2010, signup deadline is mandatory for all participants. USDA will not accept any late-filed applications.

A farm's payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year national price for each eligible commodity. For 2010, the 2-year price average will be based on the 2008 and 2009 crop years.

Payments are based on planted or prevented planted acres of commodity crops. In order to receive a payment for the crop, there must be both a stat and farm revenue loss. The total number of planted acres for which a producer may receive ACRE payments may not exceed the total base on the farm. In exchange for participating in ACRE, in addition to not receiving counter-cyclical payments, a farm's direct payment is reduced by 20%, and marketing assistance loan rates are reduced by 30%.

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.

Adjusted Gross Income

USDA has a Memorandum of Understanding with the Internal Revenue Service to establish an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent will be required from each producer or payment recipient for the IRS review process. No actual tax data will be included in the report that IRS sends to USDA.

The agreement ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs.

Participants in CCC programs subject to average AGI rules must submit form CCC-927 (Individual) and/or CCC-928 (Legal Entity) to the Internal Revenue Service by June 15 to avoid interruption of program benefits. These forms may be obtained from local FSA and NRCS offices or online at: <http://forms.sc.egov.usda.gov/eforms/mainervlet>.

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 cannot exceed \$40,000.

BCAP

The Biomass Crop Assistance Program (BCAP) provides financial assistance to producers or entities that sell and deliver eligible biomass material to qualified biomass conversion facilities (BCF) for use as heat, power, bio-based products or bio-fuels. Initial assistance will be for the collection, harvest, storage and transportation (CHST) costs associated with the delivery of eligible materials. Producers or entities who sell and deliver these materials can apply for FSA matching payments up to \$45 per dry ton.

An application must be submitted before the eligible material is sold and delivered to a BCF. After the product is delivered, a producer must provide FSA with documentation of product quantity, quality and payment rate. County offices will validate payment requests with information in the county office. For more information, find the BCAP page of details at

www.fsa.usda.gov .

WILDLIFE BUFFER – NOT YOUR ORDINARY BUFFER

Oregon's CREP (Conservation Reserve Enhancement Program) an FSA CRP program & the State of Oregon offer a CP29 Marginal Pastureland Wildlife Habitat Buffer. This buffer can be applied on pastureland adjacent to seasonal and year round streams and creeks. It is required to be seeded to natural vegetation consisting of a mixture of native grasses, shrubs and forbs. Seeding methods can be as simple as broadcasting or using a drill. The buffer can be as narrow as 20 feet or as wide as 180 feet along the entire length of the stream or creek. It is eligible for annual rental rate for 10 to 15 years, a bonus for signing up and a practice incentive bonus upon completion. FSA and Oregon will share the cost for preparing the seedbed, seed and seeding. Conservation practices such as fencing and livestock watering facilities are also cost shared. Please call Corrie at the Umatilla Co. SWCD (541) 276-8131 for an appointment.

Umatilla SWCD Incentive Program to Area Growers

Pendleton – The Umatilla County Soil and Water Conservation District (SWCD) is taking applications for the Variable Rate Fertilizer Application & Direct Seed Incentive Programs!

If you're plan on using a variable rate fertilizer applicator or you would like to try this technology, you are eligible for the incentive program (cost-share of \$20 per acre for up to 200 acres per producer).

If you would like to try direct seeding or convert conventional tillage acres to direct seeding, then this is the program for you! The cost-share is \$10 per acre up to 1,000 acres per producer! **Please note that this program was initially targeting the Wildhorse watershed; however this program HAS BEEN EXPANDED TO INCLUDE MORE AREAS IN THE UMATILLA BASIN!** For more information, stop by the office or call Heidi at 541-276-8131.

SURE Program Insurance Requirement

This is a reminder to producers of the important link between Federal crop insurance and FSA's Supplemental Agricultural Disaster Assistance programs including the new SURE program.

*To maintain eligibility for most Supplemental Disaster Programs producers must obtain a policy or plan of insurance of at least the catastrophic level (CAT) of insurance for the crop year 2010. **Note:** the more crop insurance coverage a producer has, the more the SURE guarantee will be. For those crops that are non-insurable, coverage under **the** Noninsured Crop Disaster Assistance Program (NAP) must also be timely obtained.*

Therefore, producers need to be making important crop insurance decisions for the 2010 crop year. Producers are encouraged to contact their local FSA office and visit with a crop insurance agent (a list of agents is available at all USDA Service Centers) to fully understand what crop insurance programs are available in the county and to ensure they are obtaining adequate coverage for eligibility. **The next round of sales closing dates for Federal crop insurance is:**

March 15, 2010 Final date to obtain 2010 Adjusted Gross Revenue-Lite (AGR-Lite) insurance for NEW APPLICATION/ENROLLMENT POLICIES in Alaska, Idaho, Oregon and Washington.

March 15, 2010 Final date to obtain or change ALL OTHER Spring Seeded Crop insurance coverage (excluding wheat in counties with Fall and Spring planted types).

Note: The Adjusted Gross Revenue-Lite program meets the linkage requirements for SURE. Also, if there is no crop insurance coverage in a county for a specific crop, and that crop is insurable in another county under the traditional Federal crop insurance program, a producer may seek coverage by asking an agent whether they would be eligible for crop insurance coverage under a written agreement.

A 2010 Multi-Peril Crop Availability Listing by county is posted on RMA website,

http://www.rma.usda.gov/aboutrma/fields/wa_rso/. Producers are encouraged to contact their local agent for additional details. In addition to USDA Service Centers, a listing of crop/livestock agents is also available at, (<http://www3.rma.usda.gov/tools/agents>).

U.S. DEPARTMENT OF AGRICULTURE
Umatilla County FSA Office
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NAP Coverage Deadlines

Be sure to contact your local FSA office for the Noninsured Crop Disaster Assistance Program (NAP) filing deadlines for your crops. NAP applications are due at different times according to the crop being insured. Producers should apply for NAP coverage using form CCC-471 (Application for Coverage). Related service fees are due when the application is filed. The application and service fee **MUST** be filed by the crop sales closing date.

The current service fee is \$250 per crop per county with a maximum of \$750 per producer per county. The fee cannot exceed a total of \$1875 per producer for individuals with farming interests in multiple counties. Limited resource producers may request a waiver for service fees.

To qualify, a producer must share in the risk of producing an eligible crop. There is also a requirement to file annual production of NAP covered crops by the subsequent crop year acreage reporting deadline. There is also a requirement to file an annual acreage report by the deadline. Failure to report production by the deadline will have an adverse implication for future year approved yield calculations.

...Prior Approval Requirement for Proposed Changes on CRP Land

This past year there has been a high volume of activity in Umatilla County on CRP land such as wind turbine and power line installation. Please be advised that the County Committee authorizes such activity on CRP acreage on a case-by-case basis. Also, please note that CRP participants are obligated by their contract to notify the county committee **prior to** disturbing any CRP ground for authorization. Notification to FSA is required to be from the contract participants and not from a third party. If you have any questions or concerns please contact the office.

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).

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 office.

"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 to 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."