

# UNION COUNTY FARM SERVICE AGENCY

<b>County Committee Members:</b> Shawn Bingaman Lisa Eisiminger Jim Murchison Guy Weishaar	 E-Mail <a href="mailto:jennifer.islev@or.usda.gov">jennifer.islev@or.usda.gov</a>	<b>Union County FSA Office</b> 1901 Adams Avenue, Suite 5 La Grande, OR 97850
<b>County Committee Meeting</b> 3 <sup>rd</sup> Tuesday of every month @ 3:00 p.m.	February/March 2010	<b>Phone: (541) 963-4178 Ext. 2</b> <b>FAX: (541) 962-1022</b>

OFFICE STAFF: Jennifer Isley CED, Tim Hines PT, Tara Hett PT

OFFICE HOURS: Monday through Friday 7:30 am to 4:30 pm

## County Committee Election Results



Congratulations to Guy Weishaar. Guy has been elected to represent producers from the La Grande, Starkey, and North Powder areas (LAA #1) on the County Committee.

Other Committee members are: Shawn Bingaman (Imbler, Summerville and Elgin areas (LAA #2)), Jim Murchison (Cove, Union and Telocaset areas (LAA #3)) and Lisa Eisiminger, Advisor. Committee members are elected for a 3 year term and can serve a maximum of 3 terms.

Our thanks to Todd Arnoldus for his service on the County Committee. 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.

## AGI Compliance Activities for 2009 and 2010 Payment Eligibility Data-Sharing with IRS

FSA and IRS have finalized a data-sharing process for average Adjusted Gross Income (AGI) compliance and verification. IRS will report the results to FSA on a regular basis. FSA will use this information to determine whether a program participant complies with the average AGI limitations or if further review is required.

**Program participants are now required to submit form CCC-927 or CCC-928 to the IRS by June 15, 2010.** These forms are available at FSA and NRCS offices and online at: <http://intra3.fsa.usda.gov/dam/ffasforms/forms.html>. Click on Find Current Form Using Our Form Number Search. Enter CCC in the form prefix block and 927 or 928 in the form number block, then click on submit.

Individual producers or members of an entity who filed a CCC-926 (AGI Statement) for 2009 and or 2010 need to complete form CCC-927. Form CCC-928 needs to be submitted for any entity receiving payment in either 2009 or 2010.

Producers that choose not to submit a completed CCC-927 and/or CCC-928 as applicable will be determined noncompliant with AGI limitations for the 2009 and 2010 crop, program, and fiscal year. Those producers will be required to refund all payments that were subject to these AGI provisions.

**Do not return completed forms to the FSA Office! All CCC-927's and CCC-928's must be mailed, by the producer, directly to the IRS at the address listed at the top right hand corner of the form. Forms submitted to FSA will be returned to the producer.**

## ACTIVELY ENGAGED IN FARMING

Some programs require an “actively engaged in farming” determination. To meet this determination a producer must provide both “left” and “right” hand contributions:

- Left hand requirements are a significant contribution of: land, capital, equipment or a combination thereof.
- Right hand requirements are a significant contribution of: active personal labor, active personal management or a combination thereof.

## PAYMENT LIMITATIONS

Most USDA program payments and benefits are subject to some or all of the following:

- Payment limitation by direct attribution
- Cash-rent tenant rule
- Foreign person rule
- Actively engaged in farming
- Average adjusted gross income limitations

Applicable programs and payment limitations are:

<u>Payment Type</u>	<u>Limitation (In Dollars)</u>
Direct Payments (DCP)	\$ 40,000
Counter-Cyclical and ACRE Payments	\$ 65,000
CRP Annual Rental Payments (CRP)	\$ 50,000
Grassland Reserve Annual Payments (GRP)	\$ 50,000
EQIP (all contracts for FY 2009-2012)	\$300,000
CSTP (all contracts for FY 2009-2012)	\$200,000
Marketing loan gains/LDP's	No limits
Non-Insurable Assistance Program (NAP)	\$100,000
SURE, LFP, LIP, ELAP	\$100,000
TAP	\$100,000

- No program benefits, subject to limitation, will be provided until:
  - All required forms for the specific situation are provided
  - Necessary payment limitations and eligibility determinations are made
- There are statutory provisions that require entities earning program payments that are subject to limitation to:
  - Provide the names, addresses, and Tax Id Numbers of the members of the entity to the County Committee
  - All applicable payment limitation forms submitted by producers are subject to spot check through the end of year review process.
- After 2009, a farm operating plan is not required to be filed annually if the farming operation continues to be conducted as reflected on the farm operation 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 FSA Office** by filing revised farm operating plans and/or supporting documentation as applicable.
- A determination of “not actively engaged in farming” results in a producer being ineligible for any payment or benefit requiring a determination of “actively engaged in farming”.
- Non-compliance with the adjusted gross income 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.

## DCP/ACRE Signup Underway

Signup has started for the 2010 Direct and Counter-Cyclical Payment (DCP) Program and ACRE Program for farms with base acres. Signup will continue until June 1, 2010. The **June 1, 2010 deadline** is mandatory for all participants. FSA will not accept any late-filed applications. For 2010, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm.

Please contact your local FSA office to set up an appointment.

## **2008 SURE SIGNUP UNDERWAY**

Signup for the 2008 Supplemental Revenue Assistance Payments program (SURE) began on January 4, 2010. SURE 2008 is for those producers 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 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 Secretary of Agriculture must have suffered at least a 10 percent production loss on a crop of economic significance. The 10 percent production loss must be caused by an eligible natural disaster. Producers must meet the risk management requirement by either obtaining a policy or plan of insurance, under the Federal Crop Insurance Act or NAP coverage for all economically significant crops. For 2008, producers had the opportunity to obtain a waiver of risk management purchase requirement through a buy-in provision. Producers considered socially disadvantaged, a beginning farmer or rancher, or a limited resource farmer may be eligible for SURE without a policy or plan or 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 has an interest nationwide.

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

## **FARM LOANS AVAILABLE**

Loan Applications are being accepted for farm operating and ownership purposes. Operating loans include annual operating expenses, farm equipment and livestock purchases, and refinancing related debt. Ownership loans include the purchase or enlargement of a farm, or the construction and/or repair of buildings. Loan guarantees are available to lenders where FSA provides up to a 90% guarantee of loss on the principal of a farm loan. The loan purposes are similar to FSA's Direct Loans, except refinancing real estate debt is also eligible under the Guarantee Program.

FSA's ability to partner with commercial lenders provides for useful tools in meeting your credit needs i.e. a tractor purchase, etc. when we work in consultation with your commercial lender.

FSA provides Direct and Guarantee loan assistance to Beginning Farmers and Socially Disadvantaged Producers as well. An applicant is considered a Beginning Farmer if they have not operated a farm for more than 10 years. Youth loans are available for 4-H and FFA members' ages 10 through 20 who want to start any income producing enterprise recommended by their leader or advisor.

## **SPOUSAL SIGNATURES**

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

## **FOREIGN INVESTORS MUST REPORT LAND HOLDINGS**

"Any foreign person who acquires or transfers any interest, other than a security interest, in agricultural land in the United States is required by law to report the transaction no later than 90 days after the date of the transactions."

Foreign investors must file AFIDA (Agricultural Foreign Investment Disclosure Act) reports with the Farm Service Agency County office that maintains reports for where the land is located.

For AFIDA purposes, agricultural land is defined as any land used for farming, ranching or timber production, if the tracts total 10 acres or more. Disclosure reports are also required when there are changes in land use.

"Failure to file a report, filing a late report or filing an inaccurate report can result in a penalty with fines up to 25% of the fair market value of the agricultural land."

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 programs. (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 Ave, 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.

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