



FARM SERVICE AGENCY

U.S. Department of Agriculture

Saratoga County FSA
50 West High Street
Ballston Spa, N.Y. 12020

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steven.ropitzky@ny.usda.gov

Hours
Monday - Friday
8:00 a.m. - 4:30 p.m.

County Committee
Albert LaRue, Chairperson
Pat Wood, Vice Chair &
Advisor
Chris Koval, Regular Member

Staff
Joanne Scoville, PT
Janelle Moore, PT

Loan Manager
Rebecca DeSorbe
518-692-9940 opt. 2

County Executive
Steven A. Ropitzky

State Executive Director
James Barber
315-477-6301

Next County Committee
Meeting is scheduled for
March 3, 2010 @ 1:00 p.m.



February 2010

Saratoga County FSA News

AGI Compliance Activities

USDA has partnered with the Internal Revenue Service to reduce fraud in farm programs, streamlining payment limits and help the agricultural industry meet requirements included in the 2008 Farm Bill. Individuals and legal entities with average AGI in excess of a specified average AGI limitation are ineligible for payments subject to that limitation. The limitations are: \$500,000 average nonfarm AGI for commodity programs; \$750,000 average farm AGI for direct payments under the DCP or ACRE programs; and \$1 million average nonfarm AGI for conservation programs.

IRS and USDA have established an electronic information exchange process. This process electronically reviews data from tax returns filed for the applicable three-year period, performs a series of calculations, and compares these values to the AGI limitations from the 2008 Farm Bill. Written consent on approved FSA forms will be required from each producer or payment recipient for this process. **No actual tax data will be included in the report that IRS sends to FSA and no FSA employee will view tax return information at any time during this process.**

Participants whose AGI may exceed the limits will be offered an opportunity to provide third party verification or other information to validate their income.

You, the producer, will mail the consent forms directly to the IRS at the address no later than June 15, 2010. Do not return completed and signed forms to the FSA office. The consent forms are for IRS and contain personal information that we don't need.

To obtain the forms, call or visit our office for the forms pertinent to your operation or go online at <http://fsaintranet.sc.egov.usda.gov/fsa/>

Timeliness is essential in order to avoid any delays in the issuance of 2010 program payments and the possibility of refunding 2009 program payments. Participants that **do not** submit the required form will be determined noncompliant with AGI limitations for the 2009 and/or 2010 program payments.

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 our USDA Service Center to complete their 2010 DCP contract. We have made appointments for you to sign up for DCP. Contact us if you have not yet had an appointment made or you wish to schedule one. 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 state 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.

An ACRE payment is issued when both the state and the farm have incurred a revenue loss. The payment is based on 83.3% (85% in 2012) of the farm's planted acres times the difference between the state ACRE guarantee and the state revenue times the ratio of the farm's yield divided by the state expected yield. 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.

Selected Farm Loan Interest Rates for February 2010

Farm Operating Loans — Direct	2.625%
Farm Ownership Loans — Direct	4.875 %
Farm Ownership Loans — Direct Down Payment, Beginning Farmer	1.50 %
Emergency Loans	3.75%

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Ballston Spa, New York 12020-060

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Farm Loan Programs

The Farm Service Agency (FSA) offers loans for farmers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, borrowers might have suffered setbacks from natural disasters or might be persons with limited resources.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,112,000. Emergency loans are always direct loans for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth Loans, Loans to Beginning Farmers and loans for socially disadvantaged applicants are also available through FSA.

For details just contact the county office staff for an appointment with a farm loan officer.

Loans for the Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms. While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of Socially Disadvantaged Applicants. A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities. For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

County Committee Meetings

There will be no County Committee meeting in February 2010. Our next COC meeting is scheduled for March 3rd, 2010 at 1:00 p.m. Our meetings generally are conducted the first Tuesdays of every month. You should contact the office to confirm the schedule in any given month.

SURE

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disaster that incurred in the crop years 2008 through September 30, 2011. To be eligible for SURE payments, a producer is required to obtain crop insurance on all crops in all counties or, if crop insurance is not available, to participate in the Non-Insured Assistance Program (NAP) except for grazed acreage. However, crop insurance or NAP coverage is no longer required for crops that are not of economic significance or those where the administrative fee required to buy NAP coverage exceeds 10% of the value of the coverage.

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
- crop of economic significance is 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
- **producers in counties declared disaster counties by the Secretary of Agriculture, or are in contiguous counties, or those who show proof of an individual loss of at least 50% are eligible to receive SURE payments. Signup for 2008 losses has started. We have not yet started sign up for 2009 losses.**