



March 2010

Saratoga County FSA News

U.S. Department of Agriculture

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

County Committee
Al LaRue, Chairperson
Patricia 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
315-477-6303

Next County Committee Meeting: May 4th @ 7 pm



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 tax review process. No actual tax data will be included in the report that IRS sends to FSA.

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/mainservlet>.

DCP Signup Continues

Signup for the 2010 Direct and Counter-cyclical Payment (DCP) Program continues until June 1, 2010. FSA will not accept late-filed applications.

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 2010, 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.

ACRE

The 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. FSA will not accept any late-filed applications.

A 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. Participants in ACRE will forego counter-cyclical payments. Also 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.

NAP Enrollment

Producers must apply for coverage before a disaster strikes. 2010 Noninsured Crop Disaster Assistance Program (NAP) applications for coverage must be filed using Form CCC-471 and pay the applicable service fees by the closing date. Application closing dates vary by crop. The following crops have a application deadline of March 15 2010: Artichokes, beans, broccoli, brussel sprouts, buckwheat, cabbage, cantaloupe, carrots, cauliflower, celeriac, celery, sweet corn, crenshaw melons, cucumbers, eggplant, Jerusalem artichokes, gourds, hops, kohlrabi, korean golden melon, millet, okra, parsnips, peas, peppers, potatoes, pumpkins, rutabaga, sorghum-fg, soybeans, squash, sunflowers, sweet potatoes, tomatoes, tomatillos, watermelon, yam. Producers are reminded about the need for insurance coverage on crops in order to remain eligible for the agency's Disaster Assistance Programs such as SURE, LFP, TAP, and ELAP. Producers must purchase at least catastrophic (CAT) level of insurance for all insurable crops.

Selected Farm Loan Interest Rates for March 2010	
Farm Operating Loans — Direct	3.00%
Farm Ownership Loans — Direct	5.125 %
Farm Ownership Loans — Direct Down Payment, Beginning Farmer	1.50 %
Emergency Loans	3.75%

Saratoga County Farm Service Agency
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SURE

Currently applications for the Supplemental Revenue Assistance Program (SURE) are being taken for the 2008 Crop Year. SURE provides benefits for farm revenue losses due to natural disaster that were 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.

CREP, SAFE & Continuous CRP Available

Environmentally sensitive acreage qualifying for the Conservation Reserve Enhancement Program (CREP), Conservation Reserve Program State Acres For Wildlife Enhancement (SAFE) Practice, and Continuous CRP are eligible for enrollment. These targeted programs remain funded, and continue to provide an environmental benefit on select areas.

Sodbuster, Swampbuster

FSA programs require compliance with sodbuster and swampbuster provisions. These provisions require producers to follow an approved conservation system on all highly erodible land planted to an annual crop as determined by the Natural Resources Conservation Service (NRCS). Be sure to have determinations made on any new land you plan to plant to annual crops. If you plan to plant a different crop on your current cropland, check with NRCS to assure the new crop will qualify under your conservation system. Swampbuster provisions state that converting a wetland to make possible the planting of a crop will result in the loss of all USDA benefits.

Farm Storage Facility Loan Program

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities. Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin. The following commodities are eligible for farm storage facility loans:

-Corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley or minor oilseeds, hay, renewable biomass & Fruits & Vegetables (including nuts) - cold storage facilities

For more information about programs in your area, contact your local FSA office or log onto <http://fsa.usda.gov> and click New York under State Offices