



2009 SURE sign-up is underway at county FSA offices

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Any eligible producer who suffered losses during the 2009 crop year is encouraged to visit their local Farm Service Agency (FSA) office to learn more about the Supplemental Revenue (SURE) Assistance Payments program. The SURE program provides eligible farmers financial assistance if they suffered from natural disasters.

The SURE sign-up period for 2009 crop losses runs through July 29, 2011. Only certain counties in Iowa are eligible under the Secretarial Disaster Designation or the contiguous counties that join them.

In Iowa, 78 eligible counties for a 2009 SURE payment are: Allamakee, Appanoose, Benton, Black Hawk, Boone, Bremer, Buchanan, Buena Vista, Butler, Calhoun, Carroll, Cerro Gordo, Cherokee, Chickasaw, Clarke, Clay, Clayton, Crawford, Clinton, Davis, Decatur, Delaware, Des Moines, Dickinson, Dubuque, Emmet, Fayette, Floyd, Franklin, Greene, Grundy, Hamilton, Hardin, Henry, Howard, Humboldt, Ida, Iowa, Jackson, Jasper, Jefferson, Johnson, Jones, Keokuk, Lee, Linn, Louisa, Lucas, Madison, Mahaska, Marion, Marshall, Mitchell, Monona, Monroe, Muscatine, O'Brien, Osceola, Page, Palo Alto, Plymouth, Pocahontas, Poweshiek, Ringgold, Sac, Story, Tama, Taylor, Union, Van Buren, Wapello, Warren, Washington, Wayne, Webster, Winneshiek, Wright and Woodbury.

Those farmers who qualified for SURE in 2008 and are eligible to apply for 2009, but will likely find their payments are dramatically different. This is because the revenue guarantees established for 2009 are much lower than those realized in 2008. It will take a much greater production loss in 2009 level to trigger SURE payments.

Because of potential disaster payments, the 2009 SURE signup period should not be ignored. Most farms will not have to provide their FSA office with additional data since most is provided automatically by the Risk Management Agency (RMA).

SURE Program Overview

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 Crop 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.

The first time SURE payments were available was for the 2008 crop year. Many Iowa farmers received 2008 SURE payments even though 2008 farm incomes were relatively high. Iowa farms received total payments of over \$239 million provided by this new USDA program.

Five criteria must be met to be eligible for SURE payments. First, farmers must have adjusted gross income for tax purposes less than \$2.5 million annually, unless 75 percent of the income comes from agriculture. In addition, annual nonfarm income must not exceed \$500,000.

Second, crop insurance must be purchased on all economically significant crops. An economically significant crop accounts for at least 5 percent of gross revenue. Pasture does not count as a crop for SURE. The FSA NAP policy must be purchased on crops having no crop insurance coverage.

Third, a farm must be in or adjacent to a county declared a disaster area. These are the 78 counties highlighted on the Iowa map.

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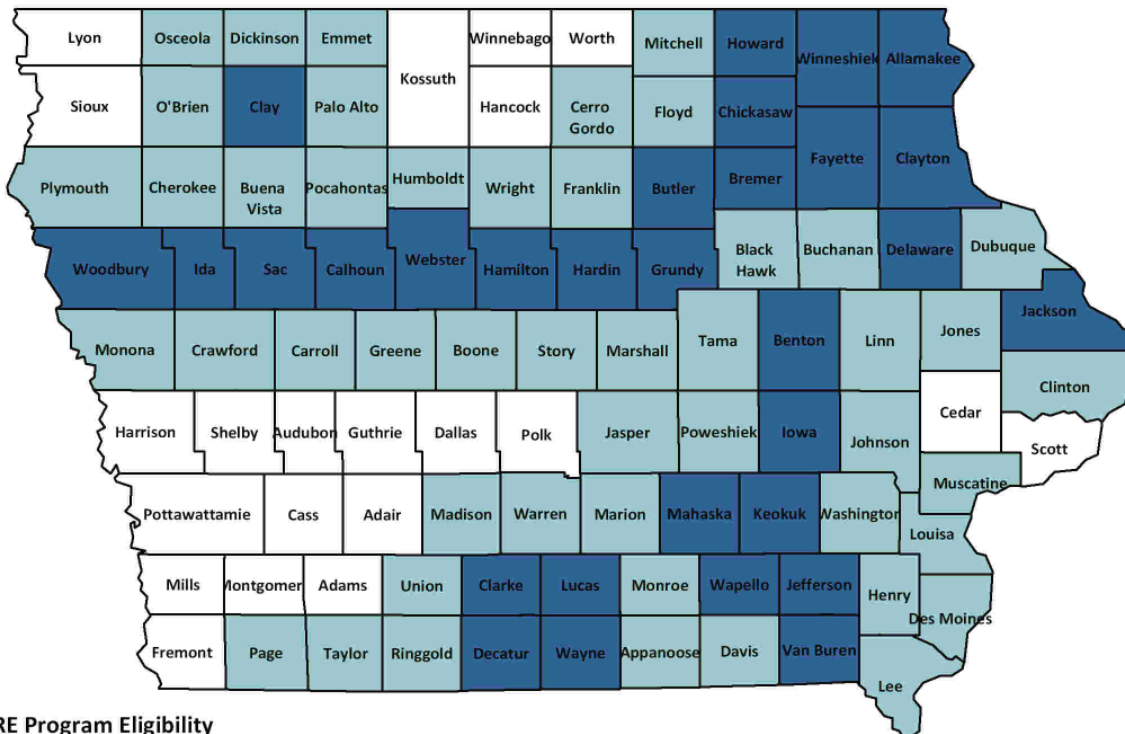
Fourth, at least one economically significant crop must have a 10 percent yield loss. On most farms, a yield loss is judged by comparing actual yields to the Actual Production History (APH) yields used for crop insurance. If one crop's actual yield is less than 90 percent of that crop's APH yield, the farm is eligible and meets this criterion.

The final criterion is that a farm's SURE revenue must be below a SURE guarantee. The SURE guarantee is the sum of all crop's crop insurance guarantees times 1.15, with the SURE guarantee

capped at 90 percent of the sum of expected revenue. Given the 90 percent cap, the SURE guarantee is maximized at the 80 percent coverage level. SURE revenue is the sum of each crop's yield times that crop's season-average-price, plus 15 percent of direct payments plus crop insurance and NAP payments.

Additional information on the SURE program and a SURE Decision Tool can be found on the ISU Extension's Ag Decision Maker (AgDM) website at: <http://www.extension.iastate.edu/agdm/crops/html/a1-44.html>.

2009 "Secretarial Designated" Disaster Counties



SURE Program Eligibility
 □ Not Eligible
 ■ Secretarial Disaster County
 ■ Contiguous County

Updated: 01/15/2010

Updates, continued from page 1

Table of Contents - Crops - Machinery -- A3-00 (1 page)

2011 Iowa Farm Custom Rate Survey -- A3-10 (2 pages)

Table of Contents - Livestock - Cost and Returns -- B1-00 (1 page)

Please add these files to your handbook and remove the out-of-date material.

Decision Tools and Current Profitability

The following tools have been added or updated on www.extension.iastate.edu/agdm.

Corn Profitability -- A1-85

Soybean Profitability -- A1-86

Ethanol Profitability -- D1-10

Biodiesel Profitability -- D1-15

Returns for Farrow-to-Finish -- B1-30

Returns for Weaned Pigs -- B1-33

Returns for Steer Calves -- B1-35

Returns for Yearling Steers -- B1-35

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