

Farm Service Agency

New London County FSA Office

April 2008

**CURRENT FARM BILL
EXTENDED TO APRIL 18TH**

Low Interest Loans Available from FSA

ACREAGE REPORTING TIME WILL SOON BE HERE !

Please remember that filing an accurate acreage report for all crops and land uses, including failed acreage and prevented planting acreage, can prevent the loss of benefits for a variety of programs.

Failed acreage must be reported within 15 days of the disaster event and before disposition of the crop. Prevented planting must be reported no later than 15 days after the final planting date.

Acreage reports are required for many Farm Service Agency programs. For crop other than NAP (Noninsured Crop Disaster Assistance Program) crops, acreage reports are to be certified by July 15, 2008.

FLEXIBLE OR CASH LEASE ?

Producers should be careful to differentiate between flexible leases and cash leases when reporting to the Farm Service Agency.

Flexible leases, in which the producer pays a base rent, and offers a bonus on yield and/or price increase to a landowner, are considered by the Farm Service Agency as share leases. Cash leases specifying a fixed amount, not subject to changes from yield or price are common and the norm across the country. Flexible or hybrid leases are now coming to the attention of FSA.

Each year FSA participants complete form CCC-502 Continuation Sheet for Leased or Owned Land which are subject to spot check. Paying more than what the original lease specifies may violate a producer's CCC-502, if not completed correctly.

DAIRY DISASTER ASSISTANCE PAYMENT PROGRAM III

The USDA Farm Service Agency (FSA) Dairy Disaster Assistance Payment Program III (DDAP-III) provides \$16 million in benefits to dairy producers for dairy production losses that occurred between January 1, 2005, and December 31, 2007, because of natural disasters.

To be eligible, a producer's operation must be in a county designated a major disaster or emergency area by the President or declared a natural disaster area by the Secretary of Agriculture between January 1, 2005, and December 31, 2007. Producers in contiguous counties are also eligible. Producers in counties declared disaster areas by the President may be eligible, even though the agricultural loss was not covered by the declaration, if an FSA Administrator's Physical Loss Notice covered such losses.

If the total value of losses claimed nationwide exceeds the \$16 million available in DDAP-III benefits, FSA will pay dairy operations with total eligible losses exceeding 20% of the total base year production at the maximum rate that funding allows. A loss of more than 20% in only one or two months during the applicable claim period does not qualify a producer for the maximum per-pound payment. A dairy producer's losses must reach the priority level over the whole claim period for each relevant calendar year. If dairy producers suffer total eligible losses of less than or equal to 20% during the eligible claim period, then FSA will calculate benefits by dividing the eligible losses of less than 20% by the funds remaining after making payments for all eligible losses above the 20% threshold.

The payment rate for eligible production losses is based on the average Mailbox milk price for the Marketing Order. The maximum per pound payment rates for Connecticut are:

2005 – 0.1539
2006 – 0.1344
2007 – 0.2012

Sign –up for the program will end May 5th.

**NO PARTIAL 2007-CROP-YEAR
COUNTER-CYCLICAL-PAYMENTS
FOR CORN, GRAIN SORGHUM**

Producers with corn, grain sorghum, soybeans and/or other oilseed base acres enrolled in USDA's Direct and Counter-Cyclical Program will not receive partial 2007-crop-year counter-cyclical payments because market prices are high.

Average market price projections are above levels that would trigger these payments. The 2002 Farm Bill requires that, if triggered, these payments be made for the 2007 crop after the first six months of the marketing year, which began on September 1, 2007, for these commodities.

Producers enrolled in the DCP may receive Counter-Cyclical Payments (CCP's) when "effective" prices for eligible commodities are less than their respective "target" prices specified in the 2002 Farm Bill. USDA calculates CCP's based on historical base acreage and payment yields, not current production

County Information

<p>Address: 238 West Town Street Norwich, CT 06360</p>	<p>Phone Number: (860) 887-9941 Office Hours: Monday – Friday 8:00 am to 4:30 pm</p>
<p>Staff: Marsha B. Jettè, CED Pat Smith, PT Barbara Pagano, PT Ronald Clark, FLM</p>	<p>County Committee: John Gadbois, Chairman Art Spielman III, V-Chm Ray Manning, Member Suzanne Sankow, Minority Advisor</p>

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**LOW INTEREST LOANS AVAILABLE
FROM FSA**

FSA may be able to assist your farming operation with an operating or ownership loan.

It is the time of year where farmers begin thinking of our spring planting needs. Whether you need loan funds to finance your spring needs for fertilizer, seed, or you need to upgrade you equipment line with a new tractor, planter, baler or perhaps you have been thinking about expanding your operation or need credit to increase your production, FSA may be able to help.

FSA's loan programs are designed to help family farmers who are temporarily unable to obtain private or commercial credit. FSA also provides credit to beginning farmers, most do not have sufficient net worth to qualify for commercial credit. In other cases, they are farmers who have suffered financial setbacks from natural and economic disaster, or who have limited resources with which to establish and maintain profitable farming operations.

Some farmers obtain their credit needs through the use of loan guarantees. Under a guaranteed loan, a local agricultural lender makes and services the loan, and FSA guarantees it against loss; in most cases this is a 90 percent guarantee of loss. In certain limited circumstances, a 95-percent guarantee is available.



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238 West Town Street
Norwich, CT 06360**

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