

# INDIANA



## Farm Service Agency

Indiana State Newsletter • March 2006 • John D. Nidlinger, SED

Dear Friend,

Welcome to our 2006 Newsletter, another year has come and gone and many of the same issues still confront us in Indiana Agriculture. We here at FSA will continue as always to serve you as an agency of support to smooth out the times of low yields or low commodity prices. As many of you became aware last fall we are evaluating our County Office Structure for ways to become more efficient. Currently we have 80 Service Centers in the State. I, along with the State Leaders at NRCS and Rural Development have formed a Joint Task Force to seek input on how to better serve you while gaining efficiencies. It is no secret that we are under budgetary pressures to become more efficient and I foresee no end to those budget constraints. We are blessed with some 400 FSA Employees in Indiana that have served us above and beyond the expected. Enhancing the environment that our employees work in and providing job security is utmost in our thoughts. Additionally it is our goal to keep travel time to our Service Centers under 30 minutes for most all producers. These are difficult constraints that are being imposed upon this task force but ones that I am hopeful can be met.

I also want to thank all of you that have utilized our electronic services. Some 2376 e-LDP's were processed from Indiana for the '05 crop. Percentage wise we led the nation in producer submitted LDP's. There have been some small glitches, but as most will concur, having your money within 48 hours and the ease of making the request from your computer is rewarding.

I would also like to inform Dairy producers of the extension of the Milk Income Loss Contract (MILC) program. All dairy operations wishing to apply need to contact their local FSA Service Center for information on completing a new form CCC-580X, MILC Extension Contract. The initial signup period for the MILC extension ends May 17, 2006.

And finally I want to thank my Employees for their support and assistance these last five years that I have served as your State Director. I have enjoyed this position immensely. This will be my last newsletter as I am moving on. My passion for farming, the ability to work daily with my family, along with the challenges of running a successful business are drawing me back to the farm.

Best of luck to a great year in 2006!  
God Bless

**John D. Nidlinger**  
Executive Director  
Indiana Farm Service Agency

### DID YOU KNOW...

Indiana FSA enrolled 116, 005 farms into the Direct and Counter-Cyclical Program in 2005

Indiana issued \$315 Million in Direct and Counter-Cyclical Payments in 2005

Indiana FSA issued \$74.4 Million in Farm Ownership and Farm Operating Loans in 2005

Indiana FSA is assisting the Indiana Board of Animal Health with the Premise Identification Program



USDA

## FSA Now Offers New Toll-Free Number for Direct Loan Customers



FSA now offers Direct Loan Customers the availability to check the status of their accounts any time, day or night, using the New Toll-Free telephone number, **1-888-518-4983**. The toll-free number, **1-888-518-4983**, can be utilized in both English and Spanish.

The system provides FSA direct loan Customers the following information:

- Loan number;
- Original loan amount;
- Unpaid principal;
- If the borrower is delinquent and the amount of the delinquency;
- Due date of next installment;
- Principal and interest amount of next scheduled installment;
- Date last payment was received;
- Amount of interest paid in current calendar year;
- Amount of interest paid for prior loan year;

The first time borrowers call the system, they will enter their tax identification number/social security number (TIN/SSN) associated with their loan. They will also need to enter their zip code. Customers will create a personal identification number (PIN) to ensure personal information remains secure. Customers must enter their PIN every time they use the system, and they may change their PIN as necessary. FSA wants the system to be user friendly. FSA also wants to remind borrowers to contact their local FSA servicing office if action is required on their accounts.

### Youth Loans Available

FSA can assist eligible rural youth with loans to establish and operate an income producing project in conjunction with 4-H, FFA or another supervised youth program. Youth loans can be used for any agricultural related enterprise such as crops, or the purchase of cattle or equipment. To be eligible, the individual must be between the ages of 10 and 20, must have the permission of their parents, and the recommendation and oversight of a project advisor. Loan maximum is \$5,000 per person for up to 7 years.

## New Era For Indiana Agriculture

Indiana's Agriculture world continues to change. Even though we are still a great area for corn and soybeans, our markets and products have changed.

Those of us working in farm financing are noticing many new operations with different lines of work, including all of the new livestock buildings to produce animals for the various integrators.

Why did I say "animals" instead of hogs? Additional turkey buildings are being built in southern Indiana, larger dairy operations are being established in northern Indiana, plans for new duck barns are in the making, and quads are going in all over northern Indiana.

Many of these new buildings are being financed with the FSA guarantees. In most cases the guarantees are being used so that your local banks can finance the buildings. When a lender becomes too concentrated in a given industry, the banking regulators will not allow them to continue financing more of the same. With the guarantee, the bank can continue financing those buildings.



The establishment of these buildings has brought several new, sound companies to Indiana. They are changing what we do and how we do it, and are also providing opportunities for our young farmers to continue to stay on the farm.

In my many years of financing Indiana Agriculture, I have never seen so much action all over the state with so many different products at the same time. It is an exciting time.

—By Brent Kerns, Farm Loan Chief



### Indiana Farm Service Agency County Committees Accepting Nominations for the 2006 Election

County or Area Committee members are a critical component of the day-to-day operations of FSA. They help deliver FSA farm programs at the local level. Farmers who serve on committees help decide the kind of programs their counties will offer. They work to make FSA agricultural programs serve the needs of local producers.

Indiana Farm Service Agency County Committees

are now in the process of accepting nominations for candidates in the 2006 FSA County Committee Election. All Indiana Agricultural Producers, including producers from socially disadvantaged groups, are urged to contact their local FSA Office to determine which area in the County is holding elections in 2006 and to receive a nominating petition. The final date for FSA Offices to receive nominating petitions is August 1, 2006. Additional COC election information and nomination petitions are also available on line at: <http://www.fsa.usda.gov/pas/publications/elections/>

# Conservation News and Notes

## **2007 CRP Re-Enrollments and Extension (REX)**

Producers with CRP contracts that expire in 2007 and have Environmental Benefit Index (EBI) scores that ranked in the top 20 percent were offered the opportunity to re-enroll their CRP contracts for a new 10 or 15-year contract. The remaining CRP contracts expiring in 2007 were offered various terms of CRP contract extensions based on the EBI ranking. The extension terms were as follows:

- ❖ EBI ranking in 60-80 percentile – 5 year contract extension
- ❖ EBI ranking in 40-60 percentile – 4 year contract extension
- ❖ EBI ranking in 20-40 percentile – 3 year contract extension
- ❖ EBI ranking in bottom 20 percentile – 2 year contract extension

Contracts being offered 10 or 15-year re-enrollments will be allowed to offer maximum payment rates based on current county soil rental rates. Contracts being extended will continue with the rental rate currently being offered under existing contract.

Before FSA will approve any contract re-enrollment or extension, a site visit will be conducted to ensure that the CRP acreage is in compliance with the terms and conditions of the current contract. A compliance review fee will be charged for this site visit. The CRP cover will be evaluated for the presence of noxious weeds and to ensure that the cover is serving the original enrollment purpose of erosion control, water quality protection, wildlife benefits and air quality protection.

Producers must notify their County Office of their intention to re-enroll or extend the contract and pay compliance review fee no later than April 14, 2006.

**Please call your office for an appointment.**

## **General CRP Signup 33**

Farmers, who want to retire cropland acres from production, yet enhance land through conservation stewardship, will have the option to enroll their land into the Conservation Reserve Program (CRP) General Signup 33. The signup for the nation's largest voluntary conservation

program will begin March 27th and run through April 14th, 2006.

In exchange for entering into the 10 to 15 year contracts, participants receive annual rental and maintenance payments along with a payment up to 50 percent of the cost of establishing the conservation practice.

To be eligible for CRP, a producer must have owned or operated the land for at least 12 months prior to the close of the CRP signup period; however exceptions are allowed in certain cases.

Furthermore, the cropland must have been planted or considered planted to an agricultural commodity four of the six crop years between 1996 and 2001 and be capable of being planted to an agricultural commodity today.

In addition, cropland must be determined to have an erosion index (EI) of 8 or more due to the steepness of the ground and soil characteristics of the soil, be located in a national or state conservation priority area, or be currently enrolled in CRP and set to expire on September 30, 2006. Although lands meeting one of these criteria are automatically eligible for program consideration, enrollment is not automatic.

FSA will use the Environmental Benefits Index to rank the acreage offered. The index is based on costs and factors such as soil erosion, water quality, enduring benefits, air quality and wildlife enhancement.

Offers accepted under this sign-up will become effective Oct. 1, 2006. More detailed information on CRP and the general sign-up is available at local FSA offices and on FSA's Web site at: [www.fsa.usda.gov/dafp/cepd/crpinfo.htm](http://www.fsa.usda.gov/dafp/cepd/crpinfo.htm).

## **Selling Land in CRP**

If land that is enrolled in CRP is sold to a new owner, the new owner has the option to either assume the CRP contract for the remainder of the contract term, or to refuse the CRP contract. If the new owner of the property decides to not assume the previous owners CRP contract, FSA will terminate the contract due to lack of successor-in-interest. According to CRP policy that is provided to all CRP par-

ticipants when they enrolled in CRP, premature termination of the CRP contract requires the signatory of the CRP contract, whom received payments from the contract, to refund all payments made to them plus interest and liquidated damages. This would include all cost-share received, annual rental payments, maintenance payments and incentives. The refund amount could be quite large depending on the type of practice enrolled and the length of time the contract has been in effect. Sellers of land with CRP should consult with their Real Estate Agent and County FSA Office prior to negotiating the selling of CRP acreage.

## **Mowing of CRP**

As a reminder to all CRP participants – mowing of CRP acreage is prohibited during the primary bird nesting and broodrearing season of March 1st through July 15th. Participants, who conduct maintenance activities during this time period, without obtaining prior permission from their local FSA Office, will be considered in violation of their CRP contract. Producers found in violation of their CRP contract may be assessed penalties that equal up to the total annual rental payment for the acreage in violation.

## **CREP**

The Conservation Reserve Enhancement Program, otherwise known as CREP, is a partnership between landowners, State, Federal and private groups that provide conservation dollars to three state selected watersheds in Indiana.

The State of Indiana has prioritized all or portion of 29 counties in the Tippecanoe, Upper White River and Highland/Pigeon Watersheds where runoff contributes to high nonpoint source sediment, nutrient, pesticide and herbicide losses from agricultural lands.

CREP will allow farmers in these priority watersheds to take sensitive farmland out of farm production and provide them financial incentives to offset the cost of lost production. These sensitive areas will then be planted to conservation buffers, or will be restored as wetlands, to help protect the water quality in the targeted watersheds.

# 2006 DCP Sign Up Underway In County Offices

We can now issue 2006 advance direct payments under the Direct and Counter-cyclical Program. Update your DCP contract and put the advance payment to work for your farm today. Producers have until June 1, 2006 to sign up without penalty. Producers can enroll from June 2 to September 30, 2006, but are subject to a \$100 DCP Late-file Signup fee. Farmers who want to update their contracts need to address land and business issues:

- Will you continue to rent the same property you rented last year? If not, notify the staff so we can update your farm records or perform a reconstitution to remove land from your farming operation.
- A cash-rent certification may be used if you rented the land last year; however, an advance payment cannot be issued for the farm until July 1, 2006.
- 2006 and 2007 Advance Direct DCP payments have been modified by the Agricultural Reconciliation Act of 2005. Any 2006 DCP 509 contracts enrolled after Feb. 8, 2006 will receive a 40% Advance Direct payment rate. 2006 DCP 509 contracts that were enrolled prior to Feb. 8, 2006, received a 50% Advance Payment rate. For 2007, the Advance Direct Payment rate could be modified up to 22% of the direct payment for a covered commodity.
- Are you changing the structure of your operation? For example, is the farm converting from an individual to a partnership or limited liability corporation? Are you changing shares within the business or is one of the shareholders leaving the business? These questions need to be answered prior to sign-up.

## **Complete your DCP Contract ANYWHERE, ANYTIME With FSA's Web-Based ELECTRONIC SERVICE**

The Farm Service Agency's electronic Direct and Counter-Cyclical Payment Program (eDCP) service now allows agricultural producers to enroll in the DCP program online. Producers can choose DCP payment options, assign crop shares, and sign and submit their contracts from any computer with Internet access. Producers no longer have to travel to their local FSA office to complete these tasks and can view and print out submitted contract options at any time.

The voluntary service is available to all producers who are eligible to participate in DCP for the 2005-2007 DCP program years. eDCP sign-up is offered as an addi-

tional DCP enrollment option. Producers can still choose to complete their DCP contracts in person at their local FSA office. The service does not alter any DCP provisions. For instance, for a farm to be enrolled in DCP, all owners and producers with shares on the farm must still meet program signature requirements.

Producers wanting to use the eDCP service must have an active USDA eAuthentication Level 2 account. This account allows you to complete the online transactions and if you choose, to electronically sign your DCP contract. To obtain an eAuthentication account complete the online registration form located at <http://www.eauth.egov.usda.gov>. After completing the online registration you will need to visit a local FSA office for identity verification.

## **Reporting Crop Acreage is now a Requirement for Program Participants**

Often referred to by different names — crop report, acreage report, crop certification — but regardless of what you call it, filing an accurate and timely acreage report for all crops and land uses, including failed or prevented acreage and planting dates, can prevent loss of benefits for a variety of Farm Service Agency programs. All cropland on the farm is required to be reported to receive benefits from the Direct and Counter-cyclical Program (DCP), Conservation Reserve Program (CRP), Non-insured Crop Disaster Assistance Program (NAP), Marketing Assistance Loans (MAL) and Loan Deficiency Payments (LDP) offered by FSA.

In Indiana acreage reports are to be certified by May 31 for small grains and July 15 for all crops except small grains in the following counties: Bartholomew, Brown, Clark, Clay, Crawford, Daviess, Dearborn/Ohio, Decatur, Dubois, Floyd, Franklin, Gibson, Greene, Harrison, Hendricks, Jackson, Jefferson, Jennings, Johnson/Marion, Knox, Lawrence, Martin, Monroe, Morgan, Orange, Owen, Parke, Perry, Pike, Posey, Putnam, Ripley, Rush, Scott, Shelby, Spencer, Sullivan, Switzerland, Vanderburgh, Vigo, Warrick, and Washington counties.

All other counties not listed above are

to certify all crops including small grains by July 15.

The existence of any prevented planting and/or failed acreage should also be reported on the FSA-578. In addition to filing the FSA-578 to report the acreage, the CCC-576 Part B must be completed for the County Committee to act on approval/disapproval of the prevented or failed acreage request.

Prevented planting occurs when a crop cannot be planted during the established planting period because of a natural disaster. To be filed in a timely manner, prevented planted reports must be submitted no later than 15 calendar days after the occurrence of prevented planting or the end of the planting period for the affected crop.

Failed acreage comprises tracts of properly-planted and managed crops that did not grow or were destroyed due to a natural disaster.

Acreage reports for failed acreage must be filed before disposition of the crop, and producers must be able to establish to the satisfaction of the County Committee that the crop failed and was prevented from being replanted through the normal planting period because of natural disaster conditions.

## **Reminder**

Applying for a loan or LDP...

- You must retain beneficial interest in the crop
- You need to complete a CCC-633 EZ Page 1 before losing beneficial interest

# Payment Eligibility and Limitation

For most programs administered through FSA, the individual, entity, or entity member is not eligible to receive program benefits if the average adjusted gross income exceeds \$2.5 million and less than 75% of your average adjusted gross income is derived from farming, ranching or forestry operations. USDA payments and benefits are subject to payment eligibility and limitation provisions. Although annual filings are not required, documents used to determine eligibility are reviewed annually. It is each participant's responsibility to report changes in his or her operation that could affect eligibility and/or limitation. These changes include renting a new farm, giving up a farm, buying or selling land or other changes. In addition, entities such as corporations, limited liability companies, trusts and estates are required to provide names, addresses, and ID numbers of members, and notify FSA of interests as of April 1 and whenever member interests change.

Other payment eligibility limitations requirements to consider include:

- The producer or county committee may initiate payment and limitation determinations.
- All producers are subject end-of-year reviews to ensure operations are completed provided on the farm-plan.
- Spouses may be considered separate 'persons' if the determination is requested and applicable requirements are met.
- A determination of 'engaged in farming' ineligibility for payment.
- Adjusted gross income certifications

must be made eligibility for most programs.

Following are programs payment eligibility or limitation determinations, including the payment limitation:

## Indiana FSA is Conducting End-of-Year Payment Limitation Reviews

Indiana is in the process of conducting End-of-Year Payment Limitation Reviews. In several cases, the review has determined that farmers have not conducted their operations as indicated on the CCC-502 Farm Operating Plan. Findings include:

1. Funds have been commingled between farm operations. One of the requirements to be a separate "person" is to maintain accounts separate from any other individual or entity.
2. Cash rent tenant rules not met. Any "person" that cash rents land is required to provide a significant contribution of active personal labor, or a significant contribution of equipment and active personal management.
3. Members of a general partnership or joint operation received a guaranteed payment such as salary. If a member of a joint operation receives a guaranteed payment for any part of a contribution of labor or management, that specific type of contribution for which payment is received is excluded as a contribution toward meeting "actively engaged in farming" and cash rent tenant provisions.
4. Claimed shares of an operation were not commensurate with inputs to the operation. Inputs to the farming operation are

land, capital, equipment, labor and management. Total contributions to the operation that are "within reason" of being equal to the claimed share of profits and losses are considered commensurate.

## Attention Producers, Landowners!

- ✓ Do you intend to clear timber areas to create or to expand existing crop areas?
- ✓ Are you converting a pasture field into a crop field?
- ✓ Are there any areas on your farm(s) that you are considering cropping that have not been cropped in recent years?
- ✓ Is there a wet spot in a field that you want drained to make cropping easier?
- ✓ Are you disturbing a wildlife habitat area of any type?
- ✓ Are you doing anything different on your farm(s) this year?

These are Highly Erodible and Wetlands provision questions that need to be considered each year by producers to assure that they may remain eligible for USDA benefits. If you have any questions or concerns that something you plan to do on your farm could jeopardize your eligibility for benefits, please contact your FSA or NRCS representative before you begin work.

### Signature Authority Requirements

County offices are required to verify that a signature authority is on file in the county office before accepting a signature on any program or related documents on behalf of another.

Producers can present evidence of signature authority such as presentation of the original document, such as corporate charter, bylaws, court orders of appointment, trust agreement, last will and testament, or articles of partnership.

The FSA-211, Power-of-Attorney form can also be completed to grant signature authority to another individual or entity.

Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest., unless written notification denying a spouse this authority has been provided to the county office.

Spouses may not sign FSA-211 on behalf of the other. Spouses may also not sign on behalf of the other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities.

Producers need to contact their local county office for specific signature authority documentation needed.

Commodity(s)/ Crop(s)	Program/ Payment Type	Program Year Limitation
Wheat, barley, oats, corn, grain sorghum, soybeans, minor oilseeds	Direct and Counter-Cyclical Programs (DCP), direct payment	\$40,000
	DCP counter-cyclical payments	\$65,000
	Loan Deficiency Payment & Market Grains	\$75,000
Wool, mohair, and honey	LDP & Market Grains	\$75,000
Conservation Reserve Program (CRP)		\$50,000
Noninsured Crop Disaster Assistance Program (NAP)		\$100,000
Trade Adjustment Act (TAA)		\$10,000 (may be adjusted downward if DCP counter-cyclical payment are received)
Environmental Quality Incentives Program (EQUIP)		\$450,000 in aggregate for all contracts for FY 2002-2007



## eLDP's Deficiency Payments

### Go Online

The Farm Service Agency's (FSA) new electronic **Loan Deficiency Payment Service (eLDP)** is an Internet-based service allowing producers to request LDP's online and, in most cases, receive approval and payment by direct deposit within 48 hours. eLDP's are offered as an additional option to producers requesting an LDP. LDP benefits are still available at the local FSA county office. However, eLDP services provide greater flexibility to producers who conduct business online and want to avoid travel time to and from the local FSA office.

USDA provides eLDP services in a secure online environment that protects participants' privacy through stringent security measures. All participating customers will have an eLDP Customer Profile set up through a software application that validates their farming and crop information. Your local FSA county office will maintain Customer Profiles for accuracy. Customer Profile information is provided by the customer and verified by farm records stored in your FSA county office. FSA's eLDP customers can use a personal computer to submit an LDP application in which payment is automatically routed by electronic funds transfer to the customer's bank account. The eLDP process is available 24/7, except during routine backup and maintenance periods. The applicable LDP rate is based upon the rate in effect on the application date and the location which the commodity is stored.

### USDA Nondiscrimination Statement

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program 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 program. (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 to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW., Washington, DC 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

# Marketing Assistance Loans LDPs

**Deadline  
Approaches for 2005  
Crops**

To be eligible for loans and LDPs, you must comply with conservation and wetland protection requirements; report how you use cropland acreage on the farm; have beneficial interest in the commodity on the date the loan or LDP is requested and, in the case of a loan, retain beneficial interest while the loan is outstanding; and ensure that the commodity meets CCC minimum grade and quality standards.

Beneficial interest means you retain the ability to make decisions about the commodity; are responsible for loss or damage to the commodity; and have title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan or LDP—even if you regain beneficial interest.

For commodities to be eligible for loans or LDPs, they must have been produced

To be eligible for eLDP, customers must:

- Be in compliance with all annual eligibility requirements for marketing assistance loans and LDP's;
  - Receive program payments by direct deposit;
- Produce and harvest an eligible loan commodity.



by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Loans mature 9 months after the month in which they are disbursed. Loans can be issued on commodities as soon as it is harvested. The final date to obtain Loans or LDP's on 2005 harvested commodities is **March 31, 2006 for small grains and May 31, 2006 for feed grains.**

Customers are required to have an active USDA eAuthentication Level 2 account, which requires filling out an online registration form at <http://www.eauth.egov.usda.gov/> followed by a visit to the county office for identity verification. Contact your local FSA county office for further information.

## Does your operation need additional Grain Storage?

### INDIANA FSA OFFERS FARM STORAGE FACILITY PROGRAM

Under the Farm Storage Facility Program, the Farm Service Agency makes loans to grain producers to build or upgrade farm storage and handling facilities. Loans may be made for the purchase and installation of eligible storage facilities, permanently affixed drying or handling equipment, or remodeling existing facilities.

The maximum term of the loan is 7 years, and the maximum amount that may be borrowed is 85 percent of the net cost, up to \$100,000 for each borrower. The interest rate for each loan will remain in effect for the term of the loan. For example, loans approved in March will have a 4.5% interest rate.

### Unauthorized Disposition

If loan grain has been disposed of through feeding, selling or any other form of disposal without county office approval, it is considered unauthorized disposition. The financial penalties are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call the office before any loan grain is fed or sold.

## New Form CCC-633EZ Required In 2006

# For All Crop, Wool, Mohair And Unshorn Pelt Loan Deficiency Payments (LDP's)

The new CCC-633 EZ form will simplify the LDP application process for all commodity crops including wool, mohair, and unshorn pelts. Only the CCC-633EZ will be accepted for LDP requests beginning in the 2006 crop year. The CCC-709 and CCC-633 LDP are now obsolete and cannot be accepted for LDP requests in crop year 2006 and subsequent years. The CCC-633EZ is a multiple page form. Page 1 of the CCC-633EZ indicates the producer's intention to receive LDP benefits and must be completed each crop year prior to losing beneficial interest in the crop, wool, mohair or unshorn pelts. One CCC-633EZ page 1 can be used for all crops and in all counties the producer is active. Page 2 of the CCC-633EZ serves as the request for LDP for commodities (wheat, corn, soybeans) and Page 4 serves as the LDP request for wool, mohair and unshorn pelts. Page 2 for crops and Page 4 for wool, mohair, and unshorn pelts must be submitted before the final loan availability date for the respective crop.

LDP's are obtained by producers who are eligible for a marketing assistance loan, but agree to forgo the loan in return for a payment on the eligible commodity. The LDP payment amount is determined by comparing the posted county price (PCP) for a commodity to the county loan rate for that commodity in the applicable county. If the PCP is less than the county loan rate, the producer may file for a payment of the difference between the two prices on the date of application, or the date beneficial interest was lost as long as page 1 of the CCC-633 EZ form is on file at the county office. Beneficial interest in the commodity is retained as long as control of the commodity, risk of loss, and title to the commodity is maintained.

Additional information on the CCC-633 EZ form and eLDP service is available at your local FSA office. The CCC-633 EZ form is available online at [www.fsa.usda.gov/dafp/psd](http://www.fsa.usda.gov/dafp/psd) and <http://forms.sc.egov.usda.gov/eforms/mainservlet>.

In essence, this means the majority of CLU boundaries should be within 50 ft of their actual ground location.

### *Resolution: It's all in the details*

Base imagery used by FSA for plotting farm boundaries has a 1 m resolution. This is the level of detail that can be seen on the ground (an area that is 1 m long by 1 m wide). While accuracy tells us how close the 1 m area is to its actual location, resolution is the amount of detail that can be seen. FSA also uses 2 m NAIP, which in appearance is a little coarser (fuzzier) than 1 m and not as accurate (+/-10 within MDOQ's)

### *Scale: The zooming affect*

It's hard to make out details when viewing an image at the county level. If boundaries are placed on the image at that scale they appear to be right on image. However, when zooming in to a larger scale (area that covers an individual field for instance) the user is able to adjust the lines to better fit the imagery because more detail can be seen. When a county consists of 11,000 CLU's it is not practical to digitize at really large scales therefore a scale of 1:4800 was determined to provide the best results with regard to time and accuracy considerations. Past maps were maintained at a scale of 1:7920.

### *Obstructions: Blinders in the landscape*

Shadows, tree crowns, flooding, and clouds are just a few image obstructions that make farm boundary placement difficult. When such areas surface other vintages of imagery are referenced.

Is there more accurate imagery available? Yes, but for program purposes of the FSA it is not necessary and keeps the costs significantly lower

## The Give and Take on Acreage Values

Conversion of farm boundaries on paper maps to electronic maps often results in acreage differences. These differences can be attributed to a variety of factors related to imagery and mapping. While GIS software can greatly reduce time needed to maintain data and generate snazzy maps there are still limitations within data itself that cause variations in acreage values generated by GIS. Just focusing on imagery, variations can be due to accuracy, resolution, scale, and obstructions.

### *Accuracy: A matter of perspective*

Common Land Unit (CLU) boundaries were digitized using 1998, 1999, and/or 2003 base imagery. The 1998/1999 imagery, referred to as MDOQs, has a horizontal accuracy of 1/30 of an inch (~33 ft). The 2003 NAIP imagery horizontal accuracy is within +/- 5m of the MDOQs.

## Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA. Foreign persons who have purchased or sold agricultural land in the county are required to

report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, realtors, attorneys and others

involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

## Lock-In Rates Available for CCC Loans

Producers have the ability to lock-in the posted county price (PCP) on commodity loans when the (PCP) is below the county loan rate or less than the loan rate plus interest due. Lock-in rates are good for 60 days or up to 14 days prior to loan maturity. Bushels may only have a lock-in rate established one time. Producers will need to complete a CCC-697 to lock-in a payment rate for a CCC Loan. Reminder, a CCC-697 does not authorize the removal of loan grain from on farm storage. Producers will still be required to obtain a Marketing Authorization (CCC-681-1) before moving grain from the farm.

## Special Accommodations

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office



5981 Lakeside Blvd., Indianapolis In 46278

## Dates to Remember

- March 27th** .....General CRP 33 Sign-up Starts  
**March 31st** .....Final date to obtain Loans or LDP's on 2005 harvested small grains  
**April 1st** .....Status date for Payment Limitation  
**April 14th** .....General CRP 33 Signup Ends  
**April 14th** .....Final Date for Producers with 2007 expiring CRP Contract to re-offer or extend  
**May 17th** .....Initial signup for Milk Income Loss Contract (MILC) Program Ends  
**May 31st** .....Final date to obtain Loans or LDP's on 2005 harvested feed grains  
**May 31st** .....Crop reporting deadline (acreage reporting or certification date) for fall seeded small grains for certain counties (southern half of Indiana, call county office to verify your required date)  
**June 1st** .....Direct and Counter-Cyclical Program (DCP) Enrollment Deadline without paying late filing fee.  
**July 15th** .....Crop reporting deadline (acreage reporting or certification date) for all other crops, including CRP  
**August 1st** .....Final date to request a reconstitution for farms subject to DCP  
**August 31st** .....Final date to complete reconstitution  
**September 1st** .....Final date to submit Application for Coverage for Noninsured Crop Disaster Assistance Program for Christmas Tree, Flowers, and Nursery Crops for the 2007 crop.  
**September 30th** .....Late filed DCP final enrollment date.  
**September 30th** .....Final date to submit Application for Coverage for Noninsured Crop Disaster Assistance Program for grazing/forage crops; and mint crops. This is for coverage for the 2007 crop.  
**November 20th** .....Final date to submit Application for Coverage for Noninsured Crop Disaster for perennial crops for the 2007 crop (apples, maple sap, peaches, etc.)  
**December 1st** .....Final date to submit Application for Coverage for Noninsured Crop Disaster for Honey (coverage for the following year)

## Noninsured Crop Disaster Assistance Program (NAP)

NAP provides financial assistance to eligible producers affected by natural disasters. Eligible crops include commercial crops and other agricultural commodities produced for food (including livestock feed) or fiber for which the catastrophic level of crop insurance is not available. NAP covers losses greater than 50% of your expected production at 55% of the average market price.

### How to apply:

File form CCC-471 with the local FSA Office and pay the applicable service fee.

### What does it cost?

\$100 per crop per county, or \$300 per producer per county, not to exceed \$900 per producer for all counties.

### Deadline:

The application and service fee must be filed by the application closing

Date for the crop. There are various application closing dates throughout the year. Contact your local FSA Office or check out the FSA calendar and the NAP information under Farm Programs on the Indiana FSA web site for the application closing date(s) specific to crops you are growing. Coverage cannot begin until 30 days after the coverage is purchased and the crop is planted.

### Reporting crop:

To remain eligible for NAP, you must annually report the crop, including type and variety, crop location, producer shares in the crop, date planted, type of practice used and intended use (fresh, processed, etc.). Once harvested, the production must be reported.

### What if the crop fails?

When a covered crop is affected by a disaster, you must notify your local FSA

office by completing a written Notice of Loss (CCC-576) the earlier of 15 calendar days after the natural disaster occurrence or the date the damage becomes apparent. Don't lose out on potential benefits by failing to notify FSA at the time of the loss. The loss must be verified by an FSA inspection of the field(s) that suffered loss.

## Reminder

FARM SERVICE  
AGENCY EMPLOYMENT  
OPPORTUNITIES

Check out employment opportunities  
with the FARM SERVICE AGENCY  
at the following  
<http://www.usajobs.opm.gov>