



April 2006

State Executive Director Comments

Greetings! I am hoping that this newsletter is arriving at a time when many of you are busy in the field.



This newsletter contains considerable information regarding the nomination process for County Committee elections which will occur late this year. If you would like to nominate someone, or be nominated, I would encourage you to talk to your local FSA Office.

County Committees have been, and continue to be, an integral part of our organization. A nomination form is included on the back page of this newsletter.

May each of you enjoy a safe and successful farming season.

Gary J. Nelson, FSA State Executive Director

Commodity Loan and LDP Deadline

Producers planning to use the commodity loan program for their 2005 crops are reminded that May 31, 2006 is the deadline for filing applications for the following 2005 crops: corn, dry peas, grain sorghum, lentils, mustard, safflower, small chickpeas, soybeans and sunflowers. May 31 is also the deadline for requesting a loan deficiency payment (LDP) for the crops earning an LDP.

To be eligible for a loan or LDP, a producer must have complied with the annual program requirements for the farm that produced the crop, maintain beneficial interest in the commodity, and not have a delinquent federal nontax debt.

Commodity loan and LDP applications must be filed with the county FSA office that maintains the farm program records for the farm that produced the crop. Producers interested in a commodity loan or LDP on the above listed commodities should contact their local county FSA office staff prior to the May 31 deadline.

Wool and Mohair Loans

Nonrecourse farm-stored loans are available for wool and mohair sheared in calendar year 2006. Loans are available on 2006 crop wool and mohair through January 31, 2007. The ungraded wool loan rate is \$.40 per pound; mohair is \$.420 per pound.

Eligible producers must have beneficial interest in the wool or mohair, reported acreage for any owned or operated cropland, be in compliance with highly erodible and wetland provisions, and not have a delinquent non-tax federal debt. In addition, the sheep or goats that produced the wool or mohair must have been owned for not less than 30 calendar days before shearing.

Eligible wool or mohair must have been produced and shorn in the United States, be in existence and in storable condition, and unprocessed.

Wool loans can be requested as graded or ungraded. If a graded loan is requested, the wool must be core tested by a CCC-approved testing facility to determine the fiber diameter (micron) and yield. The core test results must be provided at the time of the loan application, and cannot be averaged for ungraded quantities commingled with graded quantities.

Wool and mohair must be stored in approved bags specifically designed for storing wool. These include:

- standard jute burlap bags
- polyethylene plastic film packs
- high density polyethylene packs
- nylon packs

Each bag of wool or mohair must be identified with a label containing the following information:

- producer name
- lot/bale/bag number
- commodity
- date of shearing
- for mohair, type (kid, adult, yearling, etc.)
- net weight, if available

Pre-loan inspections are required prior to loan approval to verify that the wool or mohair is packaged in acceptable bags, labeled as required, and stored in a structure that provides safe storage through the maturity date of the loan.

Loan service fees are the smaller of \$45, or one-half of one percent (.005%) of the gross loan amount plus \$3 for each additional lot over one.

The loan interest rate is based on the CCC announced rate for the month in which the loan is disbursed. The rate is based on the CCC borrowing interest rate plus one percent. The interest rate is subject to adjustment on January 1 of the following year if the loan is still outstanding.

Loans mature 9 months after the month in which the loan was disbursed.

Wool and mohair loans that are not repaid by loan maturity will be settled through local sale. The settlement value will be determined based on samples submitted to a CCC-approved core test laboratory. All expenses for advertising

the sale, sampling, testing and weighing are the responsibility of the loan producers and will be including in the settlement charges.

Loan applications are available at the local county FSA office.

Wool, Mohair and Unshorn Pelt LDP's

LDP's are available when the CCC-determined market repayment rate is below the commodity loan rate. If an LDP payment is requested, a producer agrees to forego obtaining a loan on the same quantity.

LDP's are only available after the wool or mohair is sheared. Approved storage is not required for commodities to be eligible for LDP.

LDP Applications

LDP applications can be filed in person, by fax or through the eLDP process. A new CCC-633 EZ LDP (02-14-06) application is available and must be used for the 2006 crop year. The CCC-633 and the CCC-709 forms are obsolete and will not be accepted for 2006 LDP requests.

The CCC-633 EZ is a multi-part form. Page 1 is the intention to request an LDP. It must be filed each crop year and can be filed anytime after January 1. It will cover all farms and commodities in which a producer has an interest for the 2006 crop year. Page 1 must be filed before beneficial interest is lost in the commodity and before a request for payment is completed on pages 2-4. The completion of page 1 does not cause a producer to lose loan eligibility for the commodity. The option of obtaining a loan is maintained until a page 2 or 4 payment request is filed.

Joint applications are no longer accepted. Each producer or entity who intends to file an LDP request must complete a separate CCC-633 EZ page 1. Page 1 can be filed in any county FSA office in which a producer has a farming interest.

Page 2 of the form is used to request the LDP payment for wheat and feed grains, oilseeds, pulse crops and honey. Page 4 is used to request wool, mohair and unshorn pelt LDP payments. Page 2 and page 4 of the application must be filed in the county FSA office that maintains the farm records that produced the requested commodity.

The LDP rate is based on the date that the administrative county office receives the properly completed application if beneficial interest is maintained on the date the application is received. If a properly completed CCC-633 EZ page 1 is on file before loss of beneficial interest, and beneficial interest was lost prior to the date of filing the page 2 or page 4 payment request, the LDP rate will be based on the date that beneficial interest was lost.

Producers who rely on third parties to fax the application are responsible for accuracy, form completion, and ensuring that the application is filed in the correct county FSA office.

eLDP's

FSA allows electronic access for authorized producers to request LDP's using a personal computer. This allows producers to request LDP's at their convenience and receive payment within two business days with direct deposit.

In order to obtain authorization, a producer must register for an "eAuthentication Level 2 Account". Registration can be completed by logging onto:

<http://www.eauth.egov.usda.gov/eauthCreateAccount.html>

Producers must file a CCC-633 EZ page 1 with the administrative county FSA office and request a "Customer Profile" be established for their farm production that they intend to use for LDP.

After completion of these items, individual producers and authorized signature representatives for corporations can then file eLDP applications. Producers involved in general partnerships and joint venture operations must continue to file their applications with the county FSA office at this time.

Payment Limitation

Federal statute limits the amount a producer may earn in marketing loan gains and LDP's to \$75,000 for grains, oilseeds and pulse crops. There is a separate \$75,000 limitation for honey, wool, mohair and unshorn pelt marketing loan gains and LDP's.

Toll-Free Number for Borrowers

Direct loan borrowers with USDA's Farm Service Agency can now check the status of their accounts around the clock using a new toll-free telephone number.

The toll-free number, 1-888-518-4983, is available in both English and Spanish. The system delivers information on active FSA loans 24 hours a day, 7 days a week.

During the first call to the new system, borrowers will enter their tax identification number or the Social Security Number associated with the loan. They also will need to enter their ZIP code. Borrowers will create a personal identification number for security. Customers must enter their PIN every time they use the system and may change their PIN. The

system menu helps users access helpful information. The system may also direct borrowers to contact their local FSA servicing office if action is necessary on their accounts.

Selected Interest Rates for April 2006	
90-Day Treasury Bill	4.500%
Farm Operating - Direct	5.000%
Farm Ownership - Direct	5.125%
Limited Resource	5.000%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	4.000%
Emergency	3.750%
Farm Storage Facility	4.625%
Sugar Storage Facility	4.750%
Commodity Loans 1996-Present	5.750%

CRP Contract Re-enrollments and Extensions

CRP participants with contracts expiring on September 30, 2008 through September 30, 2010, are currently being notified of an opportunity to extend the CRP contracts or re-enroll the acreage for an additional contract period.

CRP contract extensions are for periods of 2, 3, 4 or 5 years. Re-enrollments are for periods of 10 or 15 years. The option provided for the contract is based on the original environmental score for the contract.

Participants on these contracts have until June 30, 2006 to notify FSA of their intent to accept the extension or re-enrollment. An inspection fee of \$45 per contract plus \$1 per acre, not to exceed \$500, must be paid by June 30, 2006.

Weed Control on CRP Acres

CRP contract terms require participants to control weeds to the extent the weeds do not adversely impact the surrounding landowners or the required CRP cover. CRP participants must also be in compliance with the State's noxious weed laws. Failure to meet these contract obligations could result in contract termination or payment reduction.

FSA completes random inspections of CRP acreage in addition to inspecting acreage on which lack of weed control is reported. FSA will also be inspecting all CRP contracts that will be extended or re-enrolled.

CRP participants should monitor their CRP acreage and take necessary control action to avoid contract compliance issues and ensure eligibility for extensions and re-enrollments. Spot treatment of weeds on CRP is allowed throughout the growing season. Notify the county FSA office if you plan to clip CRP contract acreage.

Dates to Remember	
May 29	FSA Offices closed for Memorial Day.
May 31	Final loan and LDP availability date for corn, dry peas, grain sorghum, lentils, mustard, safflower, small chickpeas, soybeans and sunflowers.
June 1	Deadline to timely enroll in the 2006 DCP.
July 15	Deadline to file production for 2005 NAP Loss payments and APH.
July 15	Deadline to file a timely acreage report (FSA-578) for 2006

2006 Acreage Reports

Acreage reports must be filed for all cropland on the farm before any 2006 DCP or CRP payments can be made or before eligibility can be established for marketing assistance loans and LDP's. Additionally, participants of the Conservation Reserve Program (CRP) and the Non-insured Assistance Program (NAP) must report the specific acreage for which benefits are being requested.

The deadline for submitting a timely filed acreage report is July 15, 2006. However, since July 15, 2006 falls on a Saturday, producers will have until Monday, July 17, 2006 to file a timely acreage report. Producers are reminded 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.

Also, producers who request prevented planting acreage credit must report the acreage and complete a CCC-576, Notice of Loss, within 15 calendar days after the latter of:

- the occurrence of prevented planting, or
- the end of the planting period.

Producers must establish to the satisfaction of the County Committee that all cropland that was feasible to plant and prevented from being planted was affected by a natural disaster rather than a management decision. Additionally, producers are required to prove that preliminary efforts to plant the crop are evident, such as disking the land or orders for purchase or delivery of seed and fertilizer.

Producers requesting failed acreage credit must report the acreage before disposition of the crop to receive credit for that crop. The County Committee must be satisfied that the acreage was planted under normal conditions, but failed as a result of a natural disaster and not a management decision.

NAP Notice of Loss

Producers with Noninsured Assistance Program (NAP) coverage are reminded of the requirement to file a notice of loss in the event that they are prevented from planting a NAP crop, or if they have a crop loss on a NAP crop due to an eligible disaster condition. The notice of loss must be filed within 15 days of the disaster occurrence.

Nominations for County Committee Election

The Farm Service Agency (FSA) will be conducting its annual committee election in November 2006. FSA County Committees represent farmers in their local communities and make decisions on crop bases and yields, commodity loans, conservation programs, disaster payments and other federal farm assistance programs.

The current County Committee consists of 3 members elected from 3 Local Administrative Areas (LAA's) or districts in all counties with the following exceptions: 1) Stark/Billings and Bowman/Slope each have a combined County Committee consisting of 5 LAA's and 5 COC members. 2) Mountrail County has a 5 member Committee from 4 LAA's. The LAA that is up for election this year is identified by the number in the table to the right. Please contact your local FSA Office for further information and details regarding the specific LAA conducting the election in your county.

NOMINATIONS for County Committee are accepted through August 1, 2006. A nomination form is printed in this newsletter for your convenience. If nominating yourself or another eligible candidate, please complete the form on the right and return to your local county office. Nomination petitions and fact sheets are also available at <http://www.fsa.usda.gov/pas/publications/elections>. We encourage all producers to take an active roll in nominating and voting for the candidate of your choice.

A candidate **is eligible** to hold office on the county committee if they reside in the County **and have their farming interest administered in the LAA for which they are a candidate.** A candidate has the option to request that all voted ballots for an individual county committee election be returned to the State Office in lieu of being returned to the county office. This request must be in writing and submitted to the local County Executive Director prior August 1.

Important COC Election Dates:

- August 1, 2006: Final date to nominate.
- November 3, 2006: Ballots mailed to eligible voters.
- December 4, 2006: Completed ballots to be returned or post-marked.
- December 11, 2006: Final date to count ballots.

LAA #	County
1	Adams, Benson, Bottineau, Burleigh, Cass, Cavalier, Hettinger, Logan, McKenzie, Nelson, Pembina, Ransom, Renville, Richland, Sioux,
2	Barnes, Burke, Dunn, Eddy, Emmons, Golden Valley, Grant, McLean, Morton, Oliver, Pierce, Ramsey, Sargent, Sheridan, Stark, Steele, Towner, Traill, Ward, Wells
3	Bowman/Slope, Dickey, Divide, Foster, Grand Forks, Griggs, Kidder, LaMoure, McHenry, McIntosh, Mercer, Rolette, Stutsman, Walsh, Williams
4	Billings, Mountrail

Enter the applicable LAA Number in item 6B

FSA-669A (03-08-06) Page 2 Form Approved - OMB No. 0560-0229

FSA-669A (03-08-06) U.S. Department of Agriculture
Farm Service Agency

NOMINATION FORM FOR COUNTY FSA COMMITTEE ELECTION

1. NAME OF NOMINEE (Type or print Nominee's Full Name) 2. ADDRESS OF NOMINEE 3. NOMINEE'S CERTIFICATION <i>I hereby agree to have my name placed on the ballot, that I will serve if elected, and if there is a conflict of interest, I will resign such position.</i> <input type="checkbox"/> I DO want to witness the settling of tied votes with another nominee. <input type="checkbox"/> I DO NOT want to witness the settling of tied votes with another nominee.	TO BE COMPLETED BY COUNTY FSA OFFICE 5. INITIALS OF EMPLOYEE RECEIVING FORM AND DATE (MM-DD-YYYY) 6A. COUNTY 6B. LAA NO. 7. STATE
4A. SIGNATURE OF NOMINEE 4B. DATE (MM-DD-YYYY)	DATE OF ELECTION IS 1st MONDAY OF DECEMBER OF EACH CALENDAR YEAR

8. TO BE COMPLETED BY NOMINEE

VOLUNTARY INFORMATION FOR MONITORING PURPOSES: The following information is requested by the Federal Government in order to monitor FSA's compliance with federal laws prohibiting discrimination against program participants on the basis of race, color, national origin, religion, sex, marital status, handicapped condition, or age. You are not required to furnish this information, but are encouraged to do so. This information will not be used in evaluating your nomination or to discriminate against you in any way.

ETHNICITY <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino	RACE (Choose as many boxes as applicable) <input type="checkbox"/> America Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> White <input type="checkbox"/> Black or African-American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander	GENDER <input type="checkbox"/> Male <input type="checkbox"/> Female
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INSTRUCTIONS FOR COMPLETING THIS FORM

Complete the form as follows:

ITEM 1 Type or Print the nominee's full name. The nominee must be:

- A. Eligible to vote in the designated County FSA Committee election.
- B. Eligible to hold the office of County FSA Committee member.
- C. Willing to serve if elected.

ITEM 2 Enter the nominee's current address.

ITEM 3 The nominee must check one of the boxes to indicate a preference regarding the settling of tied votes.

ITEM 4 The nominee must sign and date.

ITEM 8 Completing this item is voluntary.

ALL FORMS MUST BE RECEIVED IN THE COUNTY OFFICE OR POSTMARKED BY AUGUST 1.

NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Reduction Act of 1995, as amended. The authority for requesting the following information is 7 CFR Part 7. The information will be used to obtain nominees for County FSA Committee.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0560-0229. The time required to complete this information collection is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs 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 a 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

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