



August 2008

Cache County News

Logan USDA Service Center

Cache County FSA Office

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Monday - Friday
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2008 Disaster Programs Requires Crop Insurance or NAP Coverage

ELIGIBILITY "BUY-IN" DEADLINE IS SEPTEMBER 16, 2008

The recently-enacted Farm Bill legislates 2008 disaster programs covering losses to crops, trees/vines/bushes, forage, and other losses due to adverse weather. These programs require the crops you planted, grew, produced or were prevented from planting to have been covered by federal crop insurance or FSA's Noninsured Crop Disaster Assistance Program (NAP). **All of your crops on all of your acreage must be covered, not only those acres that suffered losses.**

Due to the late passage of the Farm Bill in May, you will be given an opportunity to "buy-in" to the disaster program by paying a \$100/crop catastrophic crop insurance or NAP service fee for any 2008 crops that are not already covered by crop insurance or NAP.

This eligibility "buy-in" must be completed by September 16, 2008

at your FSA Office to satisfy the requirement for total CI / NAP coverage. Note that it does not provide you with crop insurance indemnities or NAP benefits. Once this requirement is met, you may be eligible for one or more of the following programs:

- **Supplemental Revenue Program (SURE):** Covers crop revenue losses from quantity or quality deficiencies in disaster declared counties, contiguous counties, or in cases where the overall production loss exceeds 50%

- **Livestock Forage Disaster Program (LFP):** Compensates livestock owners for forage losses due to drought. Additionally, losses due to wildfire will be covered on public lands.

- **Tree Assistance Program (TAP):** Provides for partial reimbursement for replanting, salvage, pruning, debris removal and land preparation for orchardists and nursery tree growers if losses exceed 15%.

- **Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish (EALHF):** Emergency relief to producers of livestock (including horses), honey bees, and farm-raised fish. Covers losses from disasters such as adverse weather or other conditions, such as blizzards and wildfires not adequately covered by any other disaster program. This program is authorized at the discretion of the Secretary.

Another disaster program authorized by the Farm Bill is the **Livestock Indemnity Program (LIP)** for livestock deaths in excess of normal mortality. This is the only disaster program that does not require crop insurance or NAP coverage.

Note that additional requirements exist for disaster programs eligibility.

Bottom Line:

To be eligible for Disaster Programs in 2008, you must already have NAP or crop insurance coverage on ALL crops on ALL acreage **OR you must pay the fees for the eligibility buy-in at your FSA Office by September 16, 2008.**

Contact your FSA Office for more information.

Sign-up Underway for the 2008 DCP Program

This year there is a shortened amount of time to sign-up for the 2008 Direct and Counter-cyclical Payment (DCP) Program. This annual program requires a new signed contract every year.

Those producers who have eligible crop acreage base farms and have not yet enrolled in the program must do so by the September 30, 2008 deadline.

FSA computes DCP 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 2008, eligible producers may request to receive an advance payment of 22 percent of the direct payment for each commodity associated with the farm. FSA will issue advance direct payments as soon as practical after enrollment. Final direct payments will be issued after October 1, 2008.

Counter-cyclical payments vary depending on market prices, and are issued only when the effective price for a commodity is below its target price (which takes into account the direct payment rate, market price and loan rate).

No 2008 contracts will be enrolled after Sept. 30, 2008.

For all eligibility requirements or additional information, contact your local office.

Wool LDP's

The wool loan deficiency payment program provides payments to producers for wool produced and shorn from live sheep.

All producers who will sell their wool in 2008 need to have form CCC-633EZ Page 1 on file with your FSA office before shearing and selling the wool.

Producers need to bring their receipts to the FSA office after wool has been sold. Payments will be made to the person whose name is on the receipt.

All sales receipts for wool sold in 2008 must be submitted for payment before January 31, 2009.

2005-2007 Quality Loss Crop Disaster (CDP) Program Signup

Signup for quality losses under the Crop Disaster Program (CDP) began on June 23, 2008. Producers can apply for crop quality losses at their local Farm Service Agency (FSA) office.

The CDP provides benefits to farmers who suffered losses to their 2005-2007 crops from natural disasters and related conditions. Producers who incurred qualifying quantity or quality losses in 2005, 2006 or 2007 may receive benefits for only one of these years.

However, producers may apply for benefits for losses to multiple crops as long as the losses occurred in the same crop year.

Only producers who obtained crop insurance coverage or coverage under the Noninsured Crop Disaster Assistance Program (NAP) for the year of loss will be eligible for CDP benefits.

Producers must have suffered quality losses of at least 25 percent to be eligible for CDP Quality Loss. Producers may receive assistance for both quantity and quality losses. However, the total quantity and quality assistance, together with any crop insurance or NAP payment received for the same crop and the value of the crop production not lost, must not exceed 95 percent of the total value of the crop absent the disaster.

Non Insured Crop Disaster Assistance Program (NAP)

We would like to remind all participants in the 2008 NAP Program that a Notice of Loss must be filed timely. You must file a Notice of Loss in writing on Form CCC-576 within 15 days of when the loss occurred or when it became apparent to you that you will have a loss.

Sign-up has begun for the 2009 NAP program. The service fee is \$250 per crop per county.

The application and service fee must be filed by the Dec. 1, 2008 deadline for each applicable crop in each applicable county.

Farm Loan Assistance

Farmers and ranchers have an understanding lender who will listen when banks and other financial institutions decline to extend credit. That lender is FSA.

The Farm Service Agency offers loans to farmers and ranchers to purchase farmland and finance agriculture operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit.

There are various types of loans that can be tailored to meet the producer's needs.

For farm ownership loans, eligible applicants may obtain direct loans up to a maximum indebtedness of \$300,000. Loan funds may be used to purchase farm real estate, to enlarge an existing farm, to construct new farm buildings and/or improve structures, and to improve the environmental soundness of the farm.

For more information regarding loan eligibility or loan options, contact your county office to make an appointment with a farm loan officer.

Farm Reconstitutions

In Farm Service Agency terms, farms are constituted to group all tracts having the same owner and the same operator under one farm serial number. When changes in ownership or operation take place, a farm reconstitution is necessary.

The reconstitution—or recon—is the process of combining or dividing farms or tracts of land based on the farming operation.

To be effective for the current year, recons must be requested by August 1 for farms enrolled in the Direct and Counter-cyclical Payment Program. If 2008 DCP direct payments have already been issued on the farm, the reconstitution will be effective for 2009 unless the payments are refunded. Also reconstituted farms must re-enroll in the DCP within 30 days, but no later than September 30, 2008.

Designation of Landowner Method of Division

This method of division may be used when dividing tracts due to sale of land. The owners agree in writing to the division of contract acres between parcels of land. The division may or may not be proportionate to the acres purchased/sold.

Monitoring Efforts to Prevent Fraud

FSA will be assisting the Risk Management Agency (RMA) and insurance providers to reduce fraud, waste, and abuse of the Federal Crop Insurance (FCI) Program. FSA will monitor crop conditions throughout the growing season; report suspected cases of fraud, waste, and abuse; and assist RMA with auditing claims. Fraud can lead to producer disqualification to participate in FSA programs.

Not-Actively Engaged Determinations

Any producers determined to be “Not Actively Engaged in Farming” will be ineligible for most all USDA payments. This includes DCP, gains from marketing loans and loan deficiency payments, CRP annual rental payments, disaster assistance or emergency payments, and any payment or benefit requiring a determination of “actively engaged in farming.”

Delinquent Debtors Barred

Under the Debt Collection Improvement Act of 1996 (DCIA), producers owing a delinquent non-tax debt to the federal government are ineligible for federal financial assistance, including marketing assistance loans and loan deficiency payments. The DCIA requirement will apply to 2003 and subsequent crop year MALs and LDPs.

When applying for MALs and LDPs, producers must self-certify that they are not delinquent on any federal non-tax debt. If it is known that the producer has a delinquency on such a debt, the county office cannot approve the request. DCIA also bars a person owing a delinquent non-tax debt to the federal government from receiving direct loans (other than disaster) or loan insurance or guarantee.

FSA Measurement: Your Digital Service

Farmers who would like a guarantee on their crop plantings and land use acreage can make it official by using the FSA measurement service. Producers must file a request with the county office and pay the cost of a field visit to have stake and referencing done on the farm.

Measurement service is available using digital imagery and where an on-site visit is not required are

charged at a reduced rate. Incorrect acreage self-certification can result in reduced program payments, penalty, or loss of eligibility. Producers can request ortho-imagery and CLU covering their land (commonly referred to as a clip) at no charge. This would provide the acreage of an entire field.

Bruce's Comments

We are currently taking applications for various programs, be aware of sign-up deadlines. It is very important with this new farm bill that you apply for the programs that will provide protection for your farming operation. The new disaster programs are linked to CAT and NAP insurance as detailed on page 1 and 2. Most programs require timely and accurate crop reports. It is to your benefit to report all cropland and grazing land.

New programs and changes in current programs are detailed in newsletters that we mail to local producers. We also try to have the local paper announce important information as it becomes available. If you would like flyers on program announcements sent to you via email just send a request to my listed email address.

I know there is a lot of information coming to you and it is not always easy to understand. I will do my best to explain new programs and program changes to you as you have questions.

For information from your computer on current FSA programs visit this web page. www.fsa.usda.gov/pas/default.asp

Questions?? Give me a call at 435-753-5480 ext. 17 or contact me by email at bruce.lundquist@ut.usda.gov

Acreage Reporting Deadline: Friday, August 15, 2008

The timely filing of an acreage report for all crops and land uses, including failed acreage, can prevent loss of benefits for a number of programs, including Direct and Counter-cyclical Payment (DCP) Program, Conservation Reserve Program (CRP), Non-insured Crop Disaster Assistance Program (NAP), as well as marketing assistance loans and loan deficiency payments.

To be considered timely, you must file your Report of Acreage; form FSA-578, by the Friday, August 15, 2008 deadline.

Reports filed after that date will be required to pay a \$46 late-file fee per farm.

Also keep track of your planting dates. We will ask you for these dates when you file your acreage report. These dates are required for producers enrolled in NAP and crop insurance.

**Visit your FSA office
 and report today!**

Dates to Remember

Today	Report ANY changes in your farm operating plan or bank account
Today	Apply for CDP
Today	Wool LDP's: file CCC-633EZ Page 1 before shearing
August 1	Last day to request 2008 farm reconstitution
August 1	Last day to file nominations for COC Elections
August 5	COC Meeting
August 15	Acreage Reporting Deadline, without late file fee
Sept. 16	Disaster Eligibility Buy-In Deadline for 2008
Sept. 30	2008 DCP Program sign-up Deadline

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To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue SW, Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

Persons with disabilities who require accommodations to attend or participate in Cache County FSA meetings/events/functions should contact Bruce K. Lundquist, CED, at 435-753-5480, or at: bruce.lundquist@ut.usda.gov.