



Stevens County FSA Update

August 2008

NEW FOR 2008 and Future Years

Stevens County
USDA Service Center

Stevens County FSA
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Office Hours
Monday - Friday
8:00 a.m. - 4:30 p.m.

County Committee
Bryne Sullins
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County Committee
meets 2nd Tuesday
of each month at
8:00 a.m.

Office Staff:
Tia Bell, CED
Pam Hickey, PT
Linda Skinner, PT
Nola Walker, PT
Tommy Romero, Sr.,
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For the latest on
FSA programs, visit
www.fsa.usda.gov.

A new ongoing disaster program has been announced with the 2008 Farm Bill. There are 5 different programs included.

They are:

1. Supplemental Revenue Assistance Payments Program - or SURE for short – which covers production and quality losses to crops.
2. Livestock Forage Disaster Program (LFP) covers livestock grazing losses.
3. Tree Assistance Program (TAP)
4. Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish (EALHF)
5. Livestock Indemnity Program (LIP) covers livestock death losses due to an eligible disaster.

To be eligible for the first four programs, a producer must have all reported crops on his farms intended for harvest either covered by at least a CAT policy or a NAP policy.

For 2008 since all the closings dates for policies have past, there is the option for producers to buy-in for eligibility on any crop for which a CAT or NAP policy was not purchased. By purchasing a buy-in, the producer will not be eligible for an insurance indemnity on a loss, but they will ensure eligibility for a possible disaster payment under SURE. This buy-in must be purchased through the Farm Service Agency by September 16, 2008.

For 2009 and future years, there will be no buy-in option, so producers should be certain that all crops planted are covered either with at least a CAT multi-peril insurance policy for insurable crops or a NAP policy for uninsurable crops. This provision only affects eligibility for the disaster programs listed above. Eligibility for other programs - DCP, CRP, LDP - will not be affected.

We have thought of several instances where there might be confusion on crops that will be forgotten for the buy-in and future NAP policy purchases. They are:

- ◆ Continuous Cropped Wheat - It cannot be covered by a multi-peril policy, but it can be covered by NAP. If the producer did plant in 2008 and did not have a NAP policy, he would want to purchase a buy-in to remain eligible on all crops on his farm.
- ◆ Double-Cropped Crop - We have been informed, that any double-cropped crop is not eligible for CAT; however, it is eligible for a written agreement. If a producer chose to buy a written agreement, then he would be eligible. However, if he decided that because of all the reductions he would be taking with a written agreement that he did not want to go this route, he should purchase a buy-in for 2008 to ensure eligibility on the farm. In the future, he would want to purchase a NAP policy on any double-cropped crop if a written agreement is not purchased to ensure eligibility on the farm.
- ◆ Grass for grazing, Forage Sorghum, Alfalfa - Producers can purchase a NAP policy for these crops. If any of these are reported on a farm, then a buy-in policy should be purchased for 2008 and in the future a NAP policy should be purchased. Yes, these crops must be covered or it will make you ineligible for the grain crops on your farm.

The SURE Program will be available to eligible producers on:

- farms in disaster counties, including contiguous counties. Disaster counties are counties included in the geographic area covered by a qualifying natural disaster declaration by the Secretary for production losses.
- any farm in which, during the calendar year, the total loss of production of the farm because of weather is greater than 50 percent of the normal production of the farm.

For SURE, a “farm” means the sum of all crop acreage in all counties that is planted or intended to be planted for harvest by the eligible producer.

SURE Program payments will be issued to an eligible producer in an amount equal to 60 percent of the difference between the disaster assistance program guarantee and total farm revenue.

Total Farm Revenue minus Disaster Assistance Program Guarantee = Payment 60 percent of Difference

Important: The SURE Buy-in deadline for 2008 is **September 16, 2008.**



NON-INSURED ASSISTANCE PROGRAM

The Non-Insured Assistance Program (NAP) was designed to reduce financial losses that occur when natural disasters cause a catastrophic loss of production to an eligible crop by providing coverage equivalent to catastrophic (CAT) insurance. Statute limits NAP to commercial crops or agricultural commodities, except livestock, for which CAT is not available. This coverage entitles eligible producers to a payment of 55 percent of the average market price for the commodity if a natural disaster caused a 50 percent production loss or greater.

For 2009 the administrative service fee for a NAP policy has changed. The administrative service fee is \$250 per crop per administrative county not to exceed \$750 per producer per administrative county and a \$1875 maximum fee for multi-county producers. Interested producers must pay the fee and file form CCC-471, Application for Coverage, by the application closing deadline.

2009 Application Closing Dates

December 1, 2008 - Wheat, Grass for Grazing, Alfalfa, Barley, Rye, Triticale, Wheat for Grazing

March 15, 2009 - Corn, Grain Sorghum, Cotton, Sunflowers, Soybeans, Forage Sorghum

NAP coverage attaches to the crop 30 days after the application service fee has been paid.

Timely report all changes to your farming operation as soon as they occur. This includes, for example: Owner, operator, and address changes; Creating a trust, corporation, LLC, or other business; Changes to direct deposit & bank account information; or adding or giving up farmland.

2008 DIRECT AND COUNTER-CYCLICAL PROGRAM (DCP)

The 2008 DCP signup is underway. The signup started June 25 and will end **September 30, 2008**. For 2008 there will be no late-filed provisions.

Under the new Farm Bill, the DCP program eliminates payments to farms with less than 10 acres of base. There is an exception for limited resource and socially disadvantaged producers.

The crop bases and payment yields will remain unchanged from the previous year. Payment rates for 2008 will also remain unchanged from 2007.

There will be changes and new provisions for the 2009 year which will begin October 1, 2008. Please stay tuned for additional information for 2009.

CRP USE PROVISIONS

CRP participants are being reminded of their responsibility for allowed uses on CRP.

With the possible wind farm construction, CRP participants within the defined boundary will be required to notify the FSA of the installation of wind turbines prior to construction on CRP contract acres. The County Committee will review each request to allow the construction of up to 5 acres of turbines on a contract. All access roads and substations must be removed from the CRP contract. Participants within the wind farm boundary are encouraged to contact the FSA office for more information.

Unauthorized mowing of CRP includes mowing hunting lanes, mowing around the edges of irrigated circles, and mowing for cosmetic purposes. Before mowing any established CRP acreage, check with FSA or NRCS to be sure it is an allowed practice.

