

February 2007

Washington County FSA News

Washington County FSA

705 B Street
Washington, KS 66968
(785) 325-2253
(785) 325-2657 – FAX

Hours

Monday – Friday
8:00 AM – 4:30 PM

County Committee

Caroline Peterson, Chairperson
Dolores Jueneman, Vice-Chairperson
Eileen Hansen, Regular Member
Committee meets 2nd Wednesday of Month

Staff

Cindy Zimmerman, FLM
Brandy Weber, FLO
Midge Miller, PT
Marilyn Laffen, PT
Brenda Heck, PT
Dawn Bargman, PT
Debbie Voelker, PT
Dianne Garber, PT
Linda Beikmann, CPT
Kelly McKeever, COT
Rob Larkin, CED

DATES TO REMEMBER

March 31st - Final Date to request
2006 crop Wheat, Oat, Barley,
Honey loan and/or LDP.

May 31st - Final date to certify 2007
crop Wheat, Oats, Barley, & certain
NAP crops.

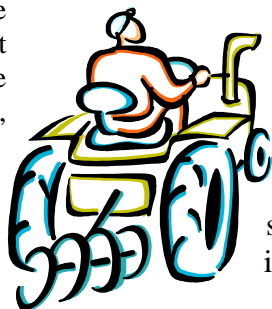
May 31st - Final Date to request
2006 crop Corn, Grain Sorghum,
Soybean loan and/or LDP.

June 1st - Final date to request a
2007 farm reconstitution.

June 1st - Final date signup for the
2007 DCP program without a late-
file fee.

Conservation Compliance

All participants in USDA programs are required to have a conservation system in place on all the highly erodible land (HEL) that they operate. Several areas where problems can arise with complying with a conservation system are: renting new cropland, purchasing new land, breaking out additional cropland, planting different crops such as soybeans, and changing or removing existing conservation practices. It is very important that you contact the FSA office before doing any of the above. Also, it is very important that you contact our office before modifying - tiling, draining, dredging, filling or leveling - any wetland or drainage ditch. Failure to obtain advance approval for any of these situations can result in loss of all Federal payments and eligibility.



DIRECT COUNTER-CYCLICAL PROGRAM SIGNUP

Signup for the 2007 Direct Counter-Cyclical Program (DCP) is underway. The final date for participants to signup in the 2007 program without paying a late-file fee is June 1, 2007. During enrollment, participants will need to decide if they would like to receive a 22% direct advance payment following contract approval or receive 100% of the payment in October of 2007. On the Counter-Cyclical side, producers must decide if they would like to receive advance payments. **Note:** If advance counter-cyclical payments are issued and market prices go up, part or all of the advance counter-cyclical payments may need to be refunded.

In addition to signup, FSA employees are required to complete a signature authority review as well as a Payment Eligibility/Payment Limitation review on all program participants. Therefore, plan on spending some time reviewing and completing eligibility paperwork for the participants on your farms.

Farm changes must also be reported to the FSA Office before signup. For example, if the farm ownership has been deeded over to a Revocable Trust, the ownership on the farm needs to be updated as well as the eligibility paperwork completed for those entities requesting payments. For newly formed entities such as corporations, limited liability companies, trusts, and estates, legal documents must be provided to the FSA Office to verify signature authority and eligibility for USDA benefits. In cases of land sales, a reconstitution may need to be completed prior to enrollment into the program; therefore, a follow-up appointment may be needed.

If you have questions, would like to report a farming change, or make an appointment contact the Washington County FSA Office at (785) 325-2253.

ACREAGE CERTIFICATION

Producers are reminded that May 31, 2007, is the final acreage reporting deadline for 2007 crop wheat, oats, and barley. For Non-insured Assistance Program (NAP) crops, acreage reports must be filed by the earlier of the crop insurance reporting date or 15 days prior to harvest or grazing of the crop. Prevented planted acreage reports are required to be submitted no later than 15 calendar days after the final planting date of the crop. Prevented planted acreage reports must be accompanied by documentation to prove, to the County Committee's satisfaction, the intention to plant the crop for harvest.

Producers with acreage that failed because of disaster-related conditions must report that acreage to the FSA Office prior to destroying the crop. For failed acreage, producers must be able to prove to the County Committee's satisfaction that the crop was planted with the intent to harvest and that the acreage failed because of disaster-related conditions.

All cropland on a farm is required to be reported to be eligible for Direct Counter-Cyclical (DCP) Program payments. Failure to file accurate acreage reports by the applicable deadlines will cost a producer late-file fee of a least \$46 per farm or DCP payments. Measurement services are available to eliminate the possibility of an inaccurate acreage report.

EMERGENCY LOANS AVAILABLE FROM FARM SERVICE AGENCY (FSA)

Farmers in Washington County, who suffered crop or livestock losses due to drought, excessive winds and high temperatures occurring 1/01/2006 and continuing, may now apply for Farm Service Agency (FSA) emergency loans.

Loans covering physical and/or production losses may be made at a 3.75 percent interest rate, and are scheduled for repayment as rapidly as feasible, consistent with the applicant's reasonable ability to pay.

FSA loans covering physical losses may be used to replace installations, equipment, livestock, or buildings (including homes), lost through this disaster.

FSA loans covering production losses may be used to buy feed, seed, fertilizer, livestock, or to make payments on real estate and chattel debts. Funds can also be used for other essential operating and living expenses.

To be eligible for an emergency disaster loan, an applicant must be operating a family size farm or ranch, must be unable to get credit elsewhere, and must have suffered a qualifying physical and/or production loss from the disaster.

Farmers who suffered at least a 30 percent reduction to at least one cropping enterprise, may have a qualifying production loss. Emergency disaster production loss loans cover 100 percent of qualifying losses. Loan availability is limited to \$500,000.00, less the outstanding principal balance of any and all prior emergency loans. **The final date to apply is 09/10/2007.**

AFFECT OF SALE OR TRANSFER OF LAND ON DIRECT AND COUNTER CYCLICAL PROGRAM PAYMENTS

Potential successors-in-interest to land with base acreage participating in the Direct and Counter Cyclical Program (DCP) need to be aware of the following Farm Security and Rural Investment Act of 2002 requirements.

The statute requires that if a transfer of, or change in, the interest of the producers on a farm with base acres for which direct payments or counter-cyclical payments are made shall result in termination of the payments with respect to the base acres, unless the transferee or owner of the acreage agrees to assume all obligations under the contract. These transfers or changes are succession-in-interest. **A producer or owner must inform the County FSA Office of changes in interest no later than September 30 of the current fiscal year.**

- If a change in interest occurs requiring a succession to the DCP contract (CCC-509), but the contract is not revised and signed by the successors by September 30,
 1. neither the predecessors nor the successors are eligible for the current year DCP payments on the farm
 2. the DCP contract shall be terminated for the current year
 3. all DCP payments issued for the current year shall be refunded
 4. the successors may sign a contract for the subsequent fiscal years.
- Successors are not eligible for DCP payments in any fiscal year in which they do not meet the definition of a producer. Successors may earn DCP payments on a farm with respect to payment shares acquired from the predecessor, **only if** the predecessor's advance direct payment amounts have been refunded on or before September 30 of the contract year.
- Producers who received payments on a farm and subsequently fail to meet the definition of a producer on a farm for the contract year shall refund the payments.
- Producers who received payment on a farm, and subsequently agreed to a reduced payment share on a revised DCP contract because of a partial succession-in-interest, are required to immediately refund the amount of advance direct payments they cannot earn for the applicable contract year, based on the revised shares. This refund is required no later than September 30 of the contract year.
- A producer who signs a DCP contract shall make repayment if the farm was foreclosed and the producer lost control of the farm.

Definition of a producer: Producer means an owner, operator, landlord, tenant, or sharecropper who shares in the risk of producing a crop and is entitled to share in the crop available for marketing from the farm, or would have shared had the crop been produced. A producer includes a grower of hybrid seed.



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