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South Dakota FSA News

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Direct and Counter-Cyclical Program (DCP)

2007 Direct DCP Payments

Producers could have requested an *advance* of the 2007 Direct DCP payments beginning on December 1, 2006. The *final* 2007 Direct DCP payments will be made after October 1, 2007.

Deadlines for 2007 Direct & Counter-Cyclical Program (DCP)

September 30 is the final date to submit signatures on DCP contracts for the 2007 program year. Producers who fail to sign the 2007 DCP contract by September 30 will be ineligible to participate and receive 2007 DCP payments.

September 30 is the also the final date to file a revised DCP contract and obtain signatures for any of the following conditions:

- Changes in a producer's control of the base acres on a farm
- Sale of land
- Foreclosure, bankruptcy or involuntary loss of the farm or land
- Changes in a producer's share in the DCP contract

Failure to report a change in interest (shares) in a DCP contract and failure to obtain all applicable signatures by September 30th will result in the predecessor and successor being ineligible for the applicable program year DCP payments. Previously issued payments would need to be refunded.

Important Date

September 30, 2007...Deadline for Notification of Succession-in-Interest for DCP

FSA's 2007 National Compliance & Spot Check Review

FSA is committed to delivering accurate program payments to America's agricultural producers. The accuracy of payments not only benefits farmers and ranchers, but also maximizes taxpayer dollars and government efficiency.

As part of the 2007 National Compliance Review, FSA's national office is requiring local FSA county offices to conduct compliance reviews and spot checks of certain producers selected by the national office through a statistical sampling method. A statistical sample of FSA employees, County Committee (COC) and State Committee (STC) members have also been selected for review using this same process.

FSA may review a producer's operations in multiple states and counties, depending on the scope of the producer's operations. FSA will review both the accuracy of the representations made by the selected producers in connection with participation in FSA programs as well as the producer's compliance with applicable program requirements. The reviews may need to be conducted at various times throughout the year depending on the FSA programs in which the producer is participating. FSA appreciates the cooperation of its customers as the agency continues to enhance its operations.

FSA's goal is to ensure that program dollars are delivered effectively and efficiently so America's farmers and ranchers can provide safe and abundant food, fiber and fuel for consumers at home and abroad.

Agriculture Assistance Act of 2007

On May 25, 2007, President Bush signed into law the "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007" (2007 Act), which includes agricultural assistance.

The 2007 Act provides about \$3 billion in agricultural disaster assistance for America's farmers and ranchers. The following programs are among those funded in the 2007 Act.

Crop Disaster Program (CDP) Sign Up Begins 10-15-07

CDP provides benefits to farmers who suffered quantity and quality losses from natural disasters and related conditions that occurred in 2005, 2006, and 2007 if the crops were planted or prevented from being planted before February 28, 2007. Producers who incurred qualifying losses must choose only one year to receive benefits. Producers may apply for multiple crop benefits if 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.

Livestock Compensation Program (LCP) Sign Up Begins 9-10-07

LCP compensates livestock producers for feed losses resulting from natural disaster occurring between Jan 1, 2005 and Feb. 28, 2007. Farmers and Ranchers in primary or contiguous counties declared Secretarial disaster areas or counties declared Presidential disaster areas during this time period are eligible. Producers incurring a loss in more than one of the applicable years must choose only one year for which they want to receive benefits.

The following types of livestock operations are among those eligible for LCP: dairy cattle, beef cattle, buffalo, beefalo, equine, poultry, elk, reindeer, sheep, goats, swine, and deer.

Livestock Indemnity Program (LIP) Sign Up Begins 9-10-07

LIP compensates livestock producers for livestock losses between Jan. 1 2005, and Feb. 28, 2007 that resulted from natural disasters. Producers are eligible to apply for compensation in primary or contiguous counties that were declared Secretarial disaster areas or Presidential declared disaster areas during the applicable time period. Producers incurring eligible livestock losses in more than one of applicable years must choose only one year for which they want to receive benefits.

The following are among the eligible livestock under LIP: dairy cattle, beef cattle, buffalo, beefalo, equine, poultry, elk, reindeer, sheep, goats, swine, and deer.

One Month Extension of MILC Payments

The U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act of 2007 also extended the MILC Payment period and 34-percent payment rate for one month. Under previous law, the MILC payment period and 34-percent rate expired at the end of August 2007, and the payment rate for September 2007 was zero percent.

Provided there is a payment rate in effect during the month of September 2007, MILCX payments to program participants with an approved CCC-580X will continue from the designated production start month selected by the dairy operation through September 30, 2007. Any NEW dairy operation or existing operation with a CCC-580X, who want to change the production start month for the dairy operation from a previously selected month to September 2007, should contact their local County FSA Office.

SD FLP FY 2007 Loan Activity

FSA's Farm Loan Program Division has approved 1212 loans to South Dakota family farmers and ranchers for a total of \$104,905,843 for FY07 which began on October 1, 2006. Of this amount 585 loans went to beginning farmers and socially disadvantaged applicants for a total of \$37,825,254.

The Farm Service Agency (FSA) provides direct and guaranteed loans to beginning farmers and ranchers who are unable to obtain financing from commercial credit sources. Each fiscal year, the Agency targets a portion of its direct and guaranteed farm ownership (FO) and operating loan (OL) funds to beginning farmers and ranchers. FSA also helps established farmers who have suffered financial setbacks from natural disasters, or whose resources are too limited to maintain profitable farming operations.

A beginning farmer or rancher is an individual or entity who (1) has not operated a farm or ranch for more than 10 years; (2) meets the loan eligibility requirements of the program to which he/she is applying; (3) substantially participates in the operation; and, (4) for FO loan purposes, does not own a farm greater than 30 percent of the average size farm in the county. (Note: all applicants for direct FO loans must have participated in business operation of a farm for at least 3 years.) If the applicant is an entity, all members must be related by blood or marriage, and all stockholders in a corporation must be eligible beginning farmers.

A socially disadvantaged (SDA) farmer, rancher, or agricultural producer is one of a group whose members have been subjected to racial, ethnic, or gender prejudice because of his or her identity as a member of the group without regard to his or her individual qualities. SDA groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

Applications for all FSA direct loan programs are made through FSA local offices and USDA Service Centers. Guaranteed loan applications are made with the lender. In cases where a lender is not known to an applicant, local office personnel will assist the applicant.

Reporting a Loss for Noninsured Disaster Assistance Program (NAP) Benefits

When disaster strikes, what do I do?

First, you must notify your local FSA Office by completing Part B, Notice of Loss, on Form CCC-576, Application for Payment. **THIS NOTICE MUST BE WITHIN 15 CALENDAR DAYS OF THE:**

- natural disaster occurrence
- final planting, if your planting was prevented by a natural disaster (Prevent Plant);
- date damage to the crop or loss of production becomes apparent to you; or
- the normal harvest date.

To receive NAP benefits, you must complete Form CCC-576, prior to the application closing date of the subsequent year.

What do I need to provide to receive NAP benefits?

Form CCC-576, Application for Payment, requires you to provide evidence of production and note whether the crop was marketable, unmarketable, salvaged, or used differently than intended.

FSA will send a certified loss adjuster to inspect the crop acreage. You must allow FSA to inspect the damage prior to destroying the crop or making any other use of the land.

Am I required to provide and maintain production records for NAP Coverage?

You are responsible for maintaining production records on all NAP covered crops. NAP crop production must be reported to your FSA office no later than the subsequent year's acreage reporting date.

If you are reporting production loss, you must certify the loss and provide acceptable records of production. You are responsible for maintaining the records for three years.

Eligible production records include:

- commercial receipts
- appraisals
- settlement receipts
- pick records
- load summaries
- scale tickets
- warehouse ledger receipts
- contemporaneous diaries or measurements

Upcoming NAP Sales Closing Dates for 2008

09-30-2007	12-01-2007	3-15-2008
Rye	Apples	Alfalfa
Winter Wheat	Asparagus	Alfalfa Seed
	Grapes	Forage Seeding
	Honey	Grass Hay
	Mint	Mixed Hay
	Raspberries	Grazing Forage
	Rhubarb	Grass Seed
	Strawberries	All Other Spring Seeded Crops

Wind Tower, Pipelines and Other Projects

FSA consent is required on projects that impact CRP land or real estate mortgaged to FSA. The recent activity in wind towers, pipelines and other similar projects has resulted in some requests for FSA consent. The consent process can involve several areas of review before FSA can sign agreements on the project. The review might require environmental evaluations, legal review of documents presented to FSA for signature or National Office approval for long term leases. It is important to contact FSA **early** in the process if you plan to participate in a development project that involves CRP land or real estate mortgaged to FSA. Review and consent from other Federal agencies, such as NRCS or USF&W, might be required if the property has Federal easements or other Federal mortgages.

COC Election

Nominations for the county committee election were due in the county office by August 1, 2007. The next step in the election process is the mailing out of the ballots, which will begin on November 2, 2007. Voters have until December 3, 2007, to return their properly completed ballots to the county office. Elected committee members and alternates take office on Jan. 1, 2008.

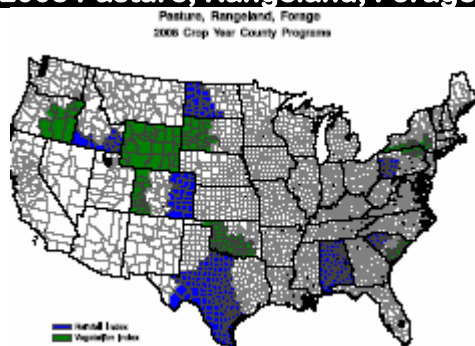
Prospective Voter Requirements - Anyone who meets the requirements in either, 1 or 2, as well as item number 3, is eligible to vote for county committee members.

1. Voter is of legal voting age and participates or cooperates in any FSA program, or
2. The voter is not of legal voting age, but supervises and conducts the farming operations on an entire farm.
3. The voter must also be eligible to participate in any FSA program provided by law, regardless of the status of funding.

Discrimination Prohibited - No person shall be denied the right to vote because of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital or familial status.

If you have any questions about your voter eligibility, please contact your county office staff.

RMA 2008 Pasture, Rangeland, Forage (PRF)



RMA has expanded coverage for the PRF pilot program for the 2008 crop year to include Lawrence, Fall River, Custer and Pennington counties. These counties are added to the other 16 counties with the pilot program for 2007. Producers are reminded that if a PRF policy is in effect for the 2008 crop year; NAP coverage will not be available for the specific intended use of forage. The 2008 RMA sales closing date is November 30, 2007. Policy information can be obtained from the following website:

<http://www.rma.usda.gov/policies/pasturerangeforage/>

CDP Linkage and PRF

There may be producers who requested 2003/2004 CDP benefits on a crop that was not covered by crop in-

surance or NAP coverage. These producers were required to obtain either crop insurance coverage or NAP coverage on that specific crop for any of the following:

- 2005 and 2006
- 2006 and 2007
- 2007 and 2008.

Reminder: The PRF pilot program offers a level of coverage greater than CAT coverage. Therefore, hay and forage producers who are required to meet the CDP linkage requirement must purchase one of these crop insurance policies. ***Although the NAP may continue to be available in the pilot counties, NAP coverage will not meet the CDP linkage requirement in these counties where crop insurance coverage is available.***

There are no changes to the FSA linkage requirement. If crop insurance, at a level of coverage greater than CAT becomes available, producers are required to obtain the coverage in order to meet the linkage requirement. Pilot policies are treated the same as non pilot policies under the linkage provisions.

If producers have met the linkage requirement by obtaining coverage for 2005/2006 or 2006/2007 for all required crops, this provision will not affect them.

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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.