



Maricopa County March 2008 Newsletter

Farm Service Agency

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Tim Smith, Chairperson
Hours: 7:30 am to 4:30 PM

PROGRAM NOTES:



Dates to Remember

- March 5th - DDAP III Sign up Continues
- On going - Farm Loan Program Applications are accepted (Direct and Guaranteed Loans)

2007 Crop Deadline Extended for CDP, LIP, LCP-(UPDATE):

The 2007 Accountability Appropriations Act authorized assistance to producers who suffered 2005, 2006, and 2007 crop. Livestock feed losses. The 2007 Act limited eligibility under CDP for 2007 crops to include only those crop acres planted, or prevented from being planted, before February 28, 2007. On December 26, 2007, the President signed into law the Department of State, Foreign Operations and Related Programs Appropriations Act, 2008. The 2008 Act amended the February 28, 2007, date and allows for all crops planted for the 2007 crop year to be included for loss purposes under CDP. Similarly, under LIP and LCP, the 2008 Act extends the date livestock and livestock feed losses could have occurred in a primary or contiguous county named in a Secretarial or Presidential disaster declaration to December 31, 2007.

Non-Insured Crop Assistance Program

- **(INFO):** The cost for NAP is a service fee of \$100 per crop, per a total of \$300 per producer, per county. Not to exceed \$900.00 total for all counties.

2008 Crop Year Sales (Application) Closing Dates are set by the state committee. **Producers are required to apply for the NAP program prior to these dates in order to remain eligible for payments.**

You must file a notice of loss within 15 days from the date that the loss was apparent.

May 31, 2008- Nursery

Note: Ornamental nursery sales closing date is 09/01/2007

Producers are reminded of these dates to ensure continued eligibility for the 2008 crop year. Producers must:

1. Annually provide records of crop acreage, crop yields, and production evidence for NAP crop to be eligible.
2. Inform FSA within 15 days of the date any disaster condition occurred or damage to the crop became apparent. **Producers must file this form even if they intend to harvest the crop.**
3. Not exceed the gross revenue cap of \$2.0 million. HELC/WC compliance is required (AD-1026)

No Partial Counter-Cyclical Payments for Grains & Oilseeds- (INFO):

Based on supply/demand and price projections from USDA's World Agriculture Supply and Demand Estimates, producers of crops **other than** cotton and peanuts, will not receive a second partial counter cyclical payment. When effective commodity price projections are equal to or more than their respective target prices; the commodities do **not** qualify for counter-cyclical payments.

Beware of Crop Insurance Rebating Schemes- (INFO):

With the spring sales closing date for many Federal crop insurance policies right around the corner, crop insurance agents have stepped up their marketing efforts. The Risk Management Agency (RMA) has received reports from producers and agents that some aggressive marketers have been approaching producers with rebate offers. These schemes promise lower insurance premiums, refunds, dividends, or items of value tied to crop insurance purchases. Most of these activities are illegal.

RMA reminds all Federal crop insurance program participants that it is now coordinating with state regulators to take appropriate regulatory action against all those who are found to promote or participate in such schemes. Producers who are found to participate

in illegal rebating activities will not only lose their crop insurance coverage but will also lose eligibility in all USDA programs. Producers and agents can report suspicions of illegal rebating to the OIG Hotline: **1-800-424-9121**.

Acreage Reporting-(ACTION):

Acreage reporting time will soon be here. Please remember 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.

Failed acreage must be reported within 15 days of the disaster event and before disposition of the crop. Prevented planting must be reported no later than 15 days after the final planting date.

Acreage reports are required for many Farm Service Agency programs. For crops other than NAP (Noninsured Crop Disaster Assistance Program) crops, acreage reports are to be certified by the May 15th deadline on small grains and a July 15th deadline on all other crops.

Acreage reports on crops for which NAP assistance may be paid are due in the county office by the earlier of May 15th for small grains and July 15th for all other crops, or 15 calendar days before the onset of harvest or grazing of the specific crop acreage being reported.

DDAP III Sign Up Resumes-(ACTION):

Eligible dairy producers who suffered losses during 2005, 2006, or 2007 may now apply to receive benefits under the Dairy Disaster Assistance Program III (DDAP III) beginning March 5. The final rule published in the Federal Register on March 4 specifies that this newly reopened sign up period ends on May 5, 2008.

FSA began enrolling producers in DDAP III in late 2007. Then in early 2008 FSA temporarily halted sign up pending the completion of rulemaking. Based on public comments on the program elicited during this suspension, FSA made minor changes to the DDAP III rules. To be eligible, a producer's operation must be in a county designated a major disaster or emergency area by the president or declared a natural disaster area by the secretary of agriculture between January 1, 2005 and December 31, 2007. Producers in contiguous counties are also eligible. Further eligibility is possible if an FSA Administrator's Physical Loss Notice was issued. For further information, contact our office or visit www.fsa.usda.gov

Honey Loans Available-(ACTION):

Marketing assistance loans and loan deficiency payments for 2007 crop year honey are available until March 31, 2008. The national loan rate for honey is \$0.60 per pound. Current market prices exceed the

loan rate, so LDP's are not available now.

To be eligible for a loan, the producer must have produced honey in the United States during the calendar year for which the loan is requested, and extracted the honey on or before Dec. 31 of the applicable crop year; have continuous beneficial interest in the honey through date of repayment of the loan; and been responsible for the financial risk of keeping the honey. Producers are responsible for maintaining the quality of farm-stored honey during the term of the loan.

The honey must be produced in the U.S. by an eligible producer, from an approved floral source, and stored in approved containers. The containers must be marked with the producer's name, type of honey, number of container and net weight. Pre-loan inspections are required before funds can be disbursed. Honey used as collateral may not be disposed of without approval of the county office staff.

Flexible or Cash Lease-(INFO):

Producers should be careful to differentiate between flexible leases and cash leases when reporting to the Farm Service Agency (FSA).

Flexible leases, in which the producer pays a base rent, and offers a bonus on yield and/or price increase to a landowner, are considered by the Farm Service Agency as share leases. Cash leases specifying a fixed amount, not subject to changes from yield or price are common and the norm across the country. Flexible or hybrid leases are now coming to the attention of FSA. Each year FSA participants complete form CCC-502 Continuation Sheet for Leased or Owned Land which are subject to spot check. Paying more than what the original lease specifies may violate a producer's CCC-502, if not completed correctly. A violation could make an operator ineligible for Direct Counter-cyclical Payments (DCP).

Example: A lease that is for \$100 acre plus an additional \$40 per acre if the crop exceeds \$4/bushel or 170 bushels corn/acre or \$7/bushel or 40 bushels of soybeans per acre is by FSA procedure a share lease. FSA procedure states that, a lease is a share lease if the lease bases the amount of rent on the quantity of crop produced or the proceeds from the crop, or the interest a producer would have if the crop had been produced.

Not Too Late to Return Your Ag Census Form-(ACTION):

The 2007 Census of Agriculture, the only source of consistent and comprehensive agricultural data for every state and county in the nation, was mailed out to agriculture producers across the United States last December with a February 4th due date for return. Officials at the National Agricultural Statistics Service say that while

the deadline has passed, completed forms are still being accepted.

Conducted every five years by the U.S. Department of Agriculture's National Agricultural Statistics Service (NASS), the Census provides detailed data covering nearly every facet of U.S. agriculture. Government organizations, lawmakers, town planners and individual farm operations can use this vital information to help them plan for future facilities, services and community growth.

Producers can return their forms by mail or, for the first time, they have the convenient option of filling out the Census online. For more information about the Census, visit www.agcensus.usda.gov. The Census is your voice, your future and your responsibility.

Direct and Guaranteed Loans

Available-(INFO): The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need, or regularly borrow from FSA, direct and guaranteed loans are available now.

Ask your lender about an FSA loan guarantee if you've had a setback and your lender is reluctant to extend or renew your loan. Loan funds are available now — apply early so that a loan can be processed and funded in a timely manner. Most of our loan programs have special funding available for minority, female and beginning farmers.

FSA staff will help you complete the necessary forms and application, and help you understand what information is required and where to get it. To find out more about FSA loan programs, contact the county office staff.

Selected Interest Rates for March 2008

Farm Operating Loans — Direct	3.750%
Farm Ownership Loans — Direct	4.875%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	4.0%
Emergency Loans	3.75%

Loans for Socially Disadvantaged-(INFO):

The Farm Service Agency (FSA) can make and guarantee loans to socially disadvantaged applicants to buy and operate family size farms and ranches. Funds specifically for these loans are reserved each year. A socially disadvantaged farmer or rancher is one of a group whose members have been subjected to racial, ethnic, or gender prejudice because of their

identity as members of the group without regard to their individual qualities. For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians and Alaskan Natives, Hispanics, and Asians and Pacific Islanders. Contact your local FSA Farm Loan Manager or Officer for more details and assistance in applying.

Youth Loans-(INFO):

Remember FSA makes operating loans to individual rural youths age 10 through 20 to establish and operate income producing projects. These projects must be of modest size and be initiated, developed, carried out by rural youths participating in 4-H Clubs, FFA, or a similar organization or with a vocational teacher or county extension agent. The project must be an organized and supervised program of work. It must be planned and operated with the assistance of the organization advisor, produce sufficient income to repay the loan, and provide the youth with practical business and educational experience. Contact your local FSA office for more details.



Proudly Supporting U.S. Troops and all their Efforts.



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Attention: FSA Program Participant
This newsletter contains valuable information and important dates regarding our programs; therefore you may lose benefits



If You Do Not Read It!!

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To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, Washington, DC 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.

Special accommodations will be made, upon request, for individuals with disabilities, vision impairment, or hearing impairment. If accommodations are required, please call the office at (623) 535-5055.