



Maricopa County September 2006 Newsletter

Farm Service Agency

Christina Day, CED
Phone: (623) 535-5055
Visit our website at: <http://www.fsa.usda.gov>

Shawneen Stevenson, FLM
Fax: (623) 536-5261

Mark W. Dobson, Chairperson
Hours: 7:30 am to 4:30 PM

PROGRAM NOTES:

Dates to Remember

- September 30th - Deadline for DCP "Late File" Signup
- Oct 1st - 2007 DCP Sign-up Starts
- Oct 9th - Office Closed (Holiday)
- MILCX Extended Sign-up Continues ...
- On going - Farm Loan Program Applications are accepted (Direct and Guaranteed Loans)

DCP REMINDER: DCP "Direct and Counter Cyclical Program" Deadline was June 1, 2006 to be considered "timely filed" (After this date, **you may sign up until September 30th, 2006- provided you submit the \$100.00 late fee.**)

Final DCP Payments for 2006-(INFO):

Enrolled producers can expect their final direct payment to be directly deposited into personal bank accounts in early October. Producers who did not elect to receive an advance direct payment will receive their entire direct payment for the year in one lump sum after the end of the fiscal year (September 30). The direct payment for a crop equals 85 percent of the farm's base acreage *times* (x) the farm's direct payment yield *times* (x) the direct payment rate.

2007 DCP Sign-up Starts Oct. 1-

(ACTION): Sign-up for the 2007 Direct and Counter-cyclical Program (DCP) begin Oct. 1. The CCC-509, "Direct and Counter-cyclical Program Contract," includes base acres, payment acres, payment yields, producer payment shares, advance direct and counter-cyclical payment selections and signatures of the producer and county office representative. The CCC-509 must be submitted by June 1, 2007, to be considered timely. All owners and operators who will share in the DCP payments on the farm must sign the CCC-509. Forms with signatures obtained after June 1, 2007, but before Sept. 30, 2007, will be accepted, but the farm will be assessed a late-file fee of \$100. Farm producers must apply for DCP each year and can opt out of the program for any year.

To be eligible, producers must file: annual DCP contract (CCC-509), a farm-operating plan (CCC-502 and related forms), an average adjusted gross income certification (CCC-526), a certification of compliance with highly erodible land and wetland conservation provisions (AD-1026). A certification of the acreage of all cropland on the farm (FSA-578) is also needed before final payments can be issued.

Marketing Assistance Loan & Loan Deficiency Payment Program Change-

(INFO): There have been changes to the marketing assistance loan (MAL) and loan deficiency payment (LDP) program which will affect 2006 and later crop years. Some of these changes:

* Beneficial interest provisions – In the past, loan program regulations did not state that a producer loses beneficial interest in a loan eligible commodity when the commodity is delivered to a dairy, feedlot, ethanol plant, feed mill, wool pool or other end-use facility. The regulations were amended to state that beneficial interest is lost when a loan eligible commodity is delivered to one of these facilities.

* Announcement of the adjusted world price (AWP) for rice – CCC changed the announcement time and day from Tuesdays at 3 p.m. Eastern time (ET) to Wednesdays at 7 a.m. ET.

* Lien searches and financing statements – After reviewing the costs incurred by CCC and the benefits, CCC will limit the use of lien searches for MALs greater than \$25,000 and file financing statements only for farm-stored MAL disbursements of \$25,000 or more. CCC may opt to conduct lien searches and file financing statements for loan disbursements of less than \$25,000 when there is reason to believe CCC's interests will not be protected. Use of form CCC-633 EZ – To simplify LDP requests, there is a new LDP form, CCC-633 EZ. This is a two-part form consisting of an agreement, and a request for benefits.

You can find out more by reading an FSA fact sheet online at www.fsa.usda.gov/pas/publications/facts/html/nonrec03.htm. Or stop into our office and ask for the fact sheet.

COC Elections Update-(INFO):

The period to nominate candidates for the upcoming county committee election is closed. Nominations were

due in the county office on Tuesday, Aug. 1. Ballots will be mailed to all eligible voters by Nov. 3. Signed ballots must be returned to the county office by **Dec. 4, 2006**. Elected committee members and alternates take office on Jan. 1.

Prospective Voter Requirements:

If you're on the mailing list for this newsletter, the chances are you are an eligible voter. Anyone who meets the requirements in 1 or 2, plus 3, below, is eligible to vote.

1. Be of legal voting age and participate or cooperate in any FSA program, or
2. Not of legal voting age, but supervises and conducts the farming operations on an entire farm.
3. Eligible to participate in any FSA program that is provided for by law, regardless of the status of funding.

Prohibited Discrimination:

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 family status.

Contact the county office staff if you have questions about voter eligibility.

Election Timetable

Nov. 3	Ballots are mailed to eligible voters.
Dec. 4	Deadline to return completed ballots to FSA County Office.
Jan. 1, 2007	New committee members and alternates are installed.

Payment Limitations-(INFO):

USDA payments and benefits are subject to producer eligibility and limitation provisions as defined by law. Documents and forms to determine eligibility and limitation once completed are reviewed on an annual basis.

It is the producer's responsibility to report changes in the farming operation that may affect payment eligibility and payment limitation.

The following limitations apply to Direct and Countercyclical Program payments for each contract year. For all covered commodities (except peanuts): \$40,000 for direct payments and \$65,000 for countercyclical payments. The Loan Deficiency and Commodity Loan Program has a \$75,000 payment limitation. The Conservation Reserve Program annual limit is \$50,000 per person.

Entities such as corporations, limited partnerships, trusts and estates are required to provide names, addresses, and ID numbers of their members.

Adjusted Gross Income-(INFO): Effective through 2007, an individual or entity shall not be eligible for certain program benefits during a crop, program or fiscal year if the following apply.

- The three-year average of the adjusted gross income for the individual or entity exceeds \$2.5 million; **and**
- Less than 75 percent of the average AGI is derived from farming, ranching or forestry operations.

Farm Record Changes-(ACTION):

If you have bought, sold or are renting different land, make sure you report the changes to the staff at your local Farm Service Agency county office as soon as possible so farm records can be updated.

For farm ownership changes you will need to provide a recorded deed or recorded land contract. All land owners must furnish their tax ID numbers.

Remember, failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and fines if you are participating in farm program.

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.

2007 Crop Year Sales (Application) Closing Dates:

October 31, 2006- Alfalfa, Barley, Beans Gar (Yuma), Cantaloupe, Grass, Native, Honeydews, Lettuce, Rye, Wheat

November 20, 2006- Apples, Cherries, Honey, Peaches, Pears, Pistachios, Plums, Watermelon

Producers are reminded of these dates to ensure continued eligibility for the 2007 crop year.

NAP Deadline Approaching-(ACTION):

The Non-Insured Crop Disaster Assistance Program (NAP) deadline is fast approaching. NAP is designed to reduce financial losses that occur when natural disasters cause a catastrophic loss of production or prevented planting of an eligible crop by providing coverage equivalent to catastrophic, or "CAT," insurance.

Producers who had coverage may choose to continue coverage on the same crops for next year, if the applicable service fee is submitted by the application closing date. A new form CCC-471, Application for Coverage, is not required to be signed when applying for continuous coverage of the same crops. Producers who choose to add or delete a crop from the previous year's coverage or changing crop shares must file a new CCC-471, with signatures, and pay the applicable service fee. Producers with NAP coverage are required to 1) file a Notice of Loss within 15 days of when a loss is apparent; 2) timely file acreage reports; and 3) keep track of harvested production using acceptable methods.

Farm Storage Facility Loans-(INFO):

Low cost loans for storage facilities are available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, rice, soybeans and corn.

The seven-year Farm Storage Facility Loans are available for the purchase and installation of eligible storage facilities, permanently affixed drying or handling equipment, or remodeling existing facilities. Eligible facilities include new conventional-type cribs or bins and new and remanufactured oxygen-limiting and other upright silo-type structures.

All farm storage facility loans are secured by a promissory note and security agreement. The maximum amount that may be borrowed is 85 percent of the net cost of the storage or handling equipment, up to \$100,000 for each borrower. A minimum down payment is also required. For details, contact the county office staff.

Report Losses-(ACTION):

Producers: If you had any failed crop acres, give serious thought to report them before plowing under the evidence. If Congress authorizes a crop disaster program in the future, proof of failed acreage may be required for your participation.

Ensuring that failed acres are documented could be the determining factor in whether you are eligible for future crop disaster program payments.

If you are experiencing low crop yields, you should keep good production records, but you don't need to report this acreage right now.

The CCC-576, Notice of Loss, is used to report failed acreage and may be completed by any producer with an interest in the crop. For losses on crops covered by the Non-insured Crop Disaster Assistance Program (NAP), you must contact the FSA county office staff within 15 days of the occurrence of the disaster or when losses become apparent. Producers with crop insurance should contact their local agent when losses occur and before destroying the crop.

eLDP Applications Available Online-(INFO):

Producers with Level 2 eAuthentication have the ability to submit eLDP applications 24 hours a day, 7 days a week from an external site.

LDP rates are:

- Posted each workday at 6 p.m. c.t.
- Archived as a single LDP rate.

Producers submitting eLDP applications **after** midnight, but **before** the rates are posted at 6 a.m. c.t., will receive the LDP rate posted the previous workday at 6 a.m. c.t. for more information log on to:

<http://www.fsa.usda.gov/pas/>

Livestock Assistance Grant Program-(ACTION):

Attention All Livestock Producers:
The USDA has announced a Livestock Assistance

Grant Program (LAGP) which provides \$50 million in state block grants to help livestock producers in certain drought conditions during 2006. Livestock producers in certain drought-affected states may be eligible for the program. A complete list of eligible states and counties is posted at: <http://disaster.fsa.usda.gov>. Arizona has been granted \$2,621,756.00 dollars in funds.

Eligibility:

- Only producers of livestock who suffered forage production losses in eligible counties may receive payments
- Assistance may be provided for such things as the cost of lost forage, supplemental feeding, the cost of relocating livestock to new feed supplies, increased feed transportation cost of emergency water supplies.
- The amount of aid received by a livestock producer may not exceed the amount of forage production and related losses suffered as a result of drought in 2006.

Eligible states will receive LAGP funds after entering into Memorandums of Understanding with FSA. The amount of money distributed to eligible states will be based on the number of adult beef cattle and sheep in eligible counties in each state as determined by USDA's National Agricultural Statistics Service. States will conduct a sign-up for their respective programs and inform producers of the sign-up period once it is announced.

FSA Outreach Statement-(INFO):

FSA places special emphasis on outreach of underserved customers because we understand and recognize that certain groups have not participated in or have received limited benefits from USDA/FSA programs. Our goal is to increase the participation of the underserved customers, including limited-resource farmers, in FSA programs, with special emphasis on those who are socially disadvantaged or members of racial minority groups.

WHO ARE UNDERSERVED CUSTOMERS?

- Farmers/ranchers and landowners/operators with limited resources, minority groups (including American Indians, Alaskan natives, and Aleuts), women, and the physically challenged, who may need but have not fully benefited from USDA assistance;
- Individuals and groups who have not participated in or have received limited benefits from FSA programs, which may improve their quality of life and/or the environment;
- Rural and urban communities;
- Members of religious minorities;
- Small specialty crop farmers, organic, farmers, and other farmers with production practices that are different from most farmers in the area.



PRESORTED STANDARD
U.S. POSTAGE PAID
Avondale, Arizona
PERMIT #50

Maricopa County FSA Office
12409 West Indian School Road
Building B, Suite 201
Avondale, AZ 85323-9525

Attention: FSA Program Participant
This newsletter contains valuable information and important dates
regarding our programs, therefore you may lose valuable benefits \$\$\$
IF YOU DO NOT READ IT!

NONDISCRIMINATION STATEMENT: The United States Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means of communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

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.