



September 2009

Bingham County FSA News

USDA Bingham County FSA

725 Jensen Grove Dr.
Ste. #2
Blackfoot, ID 83221

Phone: 208-785-2090
Fax: 208-785-5847
www.fsa.usda.gov/id

Hours
Monday - Friday
8:00 a.m. - 4:30 p.m.

County Office Staff
Steve Fullmer, CED
Elise Cumpton, PT
Sheila Rigby, PT
Stacey Gomez, PT

Farm Loan Staff
Bradley J. McMurtrey, FLM
Dustin Carter, FLO
Nikki Roberts, FLPT

Farm Storage Facility Loan Program Changes

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The new maximum principal amount of a loan through FSFL is \$500,000. Participants are now required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility. New loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department.

Early partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount.

Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin. The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, soybeans, oats, wheat, barley or minor oilseeds harvested as whole grain
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain

- Pulse crops - lentils, small chickpeas and dry peas
- Hay
- Renewable biomass
- Fruits (including nuts) and vegetables
- Cold storage facilities.

For more information about FSFL's, please visit your FSA county office or www.fsa.usda.gov.

Loan Deficiency Payments (LDP's)

No one needs to tell you that the market price of wheat, barley, and corn are dropping. As prices drop, the Loan Deficiency Payments (LDP's) become more of a reality. Barley and durum wheat are presently earning a payment.

To be eligible for an LDP, you must sign Form CCC-633 EZ Page 1, "Loan Deficiency Payment (LDP) Agreement and Request" before losing beneficial interest in the crop.

Your payment options once you have signed Form CCC-633 EZ Page 1 are:

- Crops stored in your bin or at a warehouse and beneficial interest is retained: Determine the day you would like to request the LDP and sign Form CCC-633 EZ page 2 to lock in the payment rate.
- If your crop was delivered to a warehouse and beneficial interest was lost at delivery, the payment rate effective on that date will be your LDP rate for amounts delivered.

No LDP is earned on any crop that



beneficial interest is lost before Page 1 of the CCC-633 EZ is completed and signed.

The rate is determined by subtracting the county loan rate from the 5-day average county price or the alternative posted county price, whichever is less. For ACRE enrollees, the loan rate is 30% less than non-ACRE producers.

2010 MILC Program

Fiscal year 2010 begins on October 1, 2009, and the cwt for the MILC program begins again with the 2,985 cwt. Producers desiring to start their milk marketing for payment in October of 2009 must be in on or before September 14, 2009, to change their start date. You may select any month you desire, but this selection must be completed before the 14th of the month prior to the month you would like your payments to begin.

If no selection is made, the computer will default to the same month you selected for Fiscal Year 2009.

ACRE Program

ACRE election and contract selections ended August 14, 2009. A large percentage of Bingham County producers entered into this program.

As we begin the program, here are the items that will need your attention:

- If your farm's planted and considered planted acres (P&CP) of covered commodities for 2009 exceed the total of all crop bases on the farm by 120% and there is more than one covered commodity planted, each producer must designate and agree to which crop should be paid first and the acres you desire for payment for each crop. The form to designate crops for payment is Form CCC-528. September 30, 2009, is the deadline to complete and sign this designation of crops. The County Committee will factor the acres for payment if signatures are not obtained or producers don't agree on a designation.
- The proven yields for 2004-2008 need to be reported to our office by January 31, 2010. The 2009 production evidence is due by June 1, 2010.

ACRE payments are made from 2 areas, the direct payments and the ACRE payments.

The direct payments will be based on the producer shares on the ACRE contract. This payment is guaranteed, but reduced 20% from the DCP direct payment rate. The direct payment will be totally paid in October of each year.

The ACRE payments, if earned, are paid according to the producer's share of the crop reported on the 2009 crop report (FSA-578). Therefore, if 2 producers have wheat on an ACRE farm, but one producer does not have wheat on base acres and signs to zero shares for the ACRE direct payment, that producer will receive zero direct payment but will receive an ACRE payment according to his share of the crop on the acreage report.

The ACRE signup will begin for Fiscal Year 2010 on October 1, 2009.

NAP Coverage - Deadlines & Details

The Non-Insured Crop Disaster Assistance Program (NAP) was 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 (CAT) insurance. Statute limits NAP to each commercial crop or agricultural commodity, except livestock, for which CAT is not available.

See page 4 for 2010 NAP coverage application deadlines for various crops in Idaho.

Producers who already have coverage on 2009 NAP crops may choose to continue coverage on the same crop or crops for 2010, if the applicable service fee is submitted by the application closing date. A new CCC-471, application for coverage is not required to be signed when applying for continuous coverage of the same crop or crops.

Producers who choose to add a new crop(s) or delete a crop(s) from 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 must remember to complete the following to qualify for benefits:

- Timely file acreage reports and keep track of harvested production using acceptable

methods. For example, bale weights or other means of determining quantities of hay are required.

- File a “Notice of Loss” within 15 days of when a loss is apparent, due to drought, hail, etc.

For more information on NAP coverage please contact your nearest Farm Service Agency office.

Continuous CRP

The Continuous Conservation Reserve Program is a private lands environmental improvement program that allows participants the opportunity to enroll environmentally sensitive acreages in conservation practices that will reduce soil erosion, improve water and soil quality and provide wildlife habitat and food sources.

The Continuous CRP program is a voluntary enrollment program. Eligible landowners enter into contracts that range from 10 to 15 years in length. In return, the landowners will receive annual rental and maintenance payments, incentive payments for certain activities, and cost share for establishment.

To be eligible for enrollment in the Continuous CRP, participants and acreage must meet certain requirements. Provided the eligibility requirements are met, FSA will automatically accept enrollments of acreage into Continuous CRP. Landowners may enroll in the program at any time during the year. For more information on Continuous CRP enrollments, please contact your local FSA office.

DCP Succession in Interest

If you have made changes that affect your interest in base acres since you signed your last Direct and Counter-cyclical Program contract, you must report these *successions-in-interest* to the county committee by Sept. 30, so a final determination can be made on who is eligible for the program on the farm.

Changes that qualify as a succession-in-interest include:

- A sale of land
- A change of operator or producer, including an increase or decrease in the number of partners
- A foreclosure, bankruptcy or involuntary loss of the farm.
- A change in producer shares to reflect

changes in the producer's share of the crop(s) that were originally approved on the contract.

If a succession-in-interest has taken place, you, as the “predecessor,” are required to refund any advance DCP payments you received for the affected base acres before a payment can be made to the “successor.” Not reporting a succession-in-interest can result in contract termination and a loss of program benefits for all producers involved.

Marketing Assistance Loans

A Marketing Assistance Loan (MAL) is available for producers who share in the risk of producing the crop. To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of the date the loan is repaid or CCC takes title to the commodity. Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; and title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if the producer regains beneficial interest.

Commodity loan eligibility also requires compliance with conservation and wetland protection requirements, acreage reporting and ensuring that the commodity meets Commodity Credit Corporation minimum grade and quality standards. For commodities to be eligible they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Producers do not have to participate in the Direct and Counter-Cyclical and/or ACRE Programs to be eligible for commodity loans. Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans.

The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

Bingham County FSA Office
 725 Jensen Grove Dr. Ste. #2
 Blackfoot, ID 83221



**PRESORTED STANDARD
 U.S. POSTAGE PAID
 Kansas City, MO
 PERMIT #BM-2175**

Dates to Remember	
09/30/2009	NAP sales closing date for fall seed crops
09/30/2009	NAP sales closing date for grass seed, Northern Idaho only
12/01/2009	NAP sales closing date for honey and all 2010 perennials, including alfalfa and grass
Continuous	Continuous Conservation Reserve Program
Selected Interest Rates for September 2009	
Farm Operating Loans — Direct	3%
Farm Ownership Loans — Direct	4.875%
Farm Ownership Loans — Down Payment	1.50%
Emergency Loans	4.75%

The United States Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance programs. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for 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, 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."