ACREAGE REPORTS

To collect program benefits including loan deficiency payments, crop loans, crop insurance, non-insured assistance program benefits, and crop history, it is a requirement to report crop acres.

The Direct and Counter Cyclical Program requires all cropland on the farm to be certified before program benefits can be earned. Each farm must have all cropland acres reported, including old soil bank acres, waterways, feeding lots, feed crops and fallow acres.

The final date to certify corn, milo, soybeans, sunflowers, alfalfa, feed crops and fallow acres is August 1. Crops covered by the Non-Insured Assistance Program (NAP) must be reported 15 days before any haying or grazing takes place.

If you have not reported your fall crop acres, do so as soon as possible. In the past, as a courtesy, we have sent out reminders for acreage reporting. With our tight budget and increased workload, we most likely will not send out reminders. Therefore, it will be the operator’s responsibility to remember to timely file crop acreage certifications.

2008 DCP PROGRAM

Signup for the 2008 Direct and Counter Cyclical Program (DCP) is underway. The 2008 program will be very similar to the 2007 DCP program with 85% of the base eligible for direct payments. Shares of payments must follow the share and risk of planted crops as in the past.

Farms with base acres of 10 acres or less will not receive direct or counter-cyclical payments, unless the farm is wholly owned by socially disadvantaged or limited resource farmers or ranchers.

The power of attorney form used for the last Farm Bill will not be valid for the new program in most cases, unless the power of attorney form filed has all current and future programs checked and authorization was given to certify for the Adjusted Gross Income provisions.

Signup for the 2008 DCP program ends September 30. All signatures must be in the office by close of business on September 30. Late filed provisions do not apply.

LIVESTOCK DISASTER PROGRAMS

The Livestock Compensation Program (LCP), Livestock Indemnity Program (LIP) sign-up ends July 18. Eligible ranchers and livestock producers can apply to receive LCP compensation for feed losses or LIP for livestock losses occurring between January 1, 2005, and December 31, 2007, due to a natural disaster.

Livestock Compensation Program (LCP): Covers grazing losses, due to natural disasters for Crop Years 05, 06, and 2007 - Most producers in Mitchell County will be dealing with crop year 2006 grazing losses.

You will need to know the number of livestock owned on January 1, 2006 that were intended to be put on pastures for the 2006 grazing season of May 1, 2006 through October 31, 2006. PROOF OF LIVESTOCK NUMBERS IS REQUIRED. Some items to verify numbers could be: calf sales receipts, bank asset ledgers or financial statements, or veterinary records.

Livestock Indemnity Program (LIP): Covers livestock deaths due to natural disasters that occurred between January 1, 2005 and December 31, 2007; including deaths due the ice and snow storm that started in 2006 and continued into January 2007. PROOF OF LIVESTOCK DEATHS IS REQUIRED. Some items to verify deaths could be: dead wagon receipts, veterinary records, or 3rd party verification.

CROP DISASTER QUALITY LOSS

In addition to the quantity loss portion of the Crop Disaster Program, producers may be eligible for quality loss payments for the same years.

There are three thresholds that must be met to qualify for a crop disaster quality loss. They are: 1) Economic loss, 2) Quality loss based on grade and discount factors, 3) Quality loss that was not already compensated by crop insurance. You must have had a 25 percent loss in price received compared to the state committee price set for each commodity or price established through a marketing contract to meet an economic loss.

To apply, you must provide all production evidence for the unit including the price received, and you must have it sorted by crop insurance unit.
Non-Insured Assistance Program

Producers in the Non-insured Assistance Program (NAP) for 2008 must report any loss in production within 15 days of the date of loss. With drought, a loss may not be known until harvest, so you would have 15 days after harvest to report a loss.

Acreage must be reported 15 days before any haying or grazing takes place. If you applied for coverage on forage sorghum, you must report the acres immediately after planting.

Those who have NAP must provide verifiable production evidence for the covered crop to remain eligible for the disaster payment. If the production will be fed, an FSA measurement is required and sample bale weights.

2008 Loan Rates

The 2008 loan rates for Mitchell County are: Wheat - $3.02/bu., Corn - $1.91/bu., Sorghum – $3.34 /cwt, Soybeans – $4.86/bu., and Sunflowers - $9.19 /cwt. Other oilseed rates are also available.

CRP HAYING AND GRAZING

For 2008 only, there are two options for haying or grazing CRP acres. The regular managed haying or grazing that can be utilized once every three years on contracts that have used it in the past, and the new Critical Feed Use CRP haying or grazing.

Managed haying or grazing requires a 25% reduction in the annual rental payment. It is only applicable to acreage that has not been hayed or grazed in the last two years, but an entire field could be hayed if not hayed or grazed in 2006 or 2007. Haying must be completed by August 15 and the bales removed by September 15. Grazing must be completed by the earlier of November 12 or the grass reaching the minimum height.

Critical Feed Use haying or grazing required a $75 per contract payment up front, no reduction in rental payment. It doesn’t matter if the acreage was hayed or grazed in the past. 50% of each field must be left un-hayed; fields can not be combined even if adjoining, to get around this requirement. Haying must be completed and bales removed by November 10. Grazing must end by the earlier of November 10 or the grass reaching the minimum height. Haying or grazing can not occur within 120 feet of a stream or water body.

In either option, haying or grazing can not begin until the later of (1) notification of application approval or (2) July 16. Also, all contract participants must sign the request application and the revised conservation plan. Haying and grazing can not occur on the same acreage.

The grass must be fully established and continuous practices (filters and buffers) can’t be hayed or grazed. Only one cutting is allowed. Food plots and inter-seeded areas are not eligible for haying or grazing.

<table>
<thead>
<tr>
<th>Reminders</th>
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<tbody>
<tr>
<td>All changes of address, operator, ownership, and direct deposit should be reported as soon as they are known.</td>
</tr>
<tr>
<td>Contact FSA before breaking land, removing tree areas, removing field boundaries removing farm stored loan grain or planting any crop that might be a fruit or vegetable on contract acreage.</td>
</tr>
<tr>
<td>Check your CRP Plan of operations and remember to get food plots planted if they are in your plan.</td>
</tr>
<tr>
<td>Weeds/trees must be controlled on Conservation Reserve acres.</td>
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<tr>
<td>July 18 LCP and LIP signup ends</td>
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<tr>
<td>August 1 Last day to report fall crops.</td>
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<tr>
<td>Sept. 1 Office Closed</td>
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<tr>
<td>Sept. 30 DCP Signup ends</td>
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<tr>
<td>Continues Rural Youth Loans for 10-20 Year Olds</td>
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<tr>
<td>Continues Farm Operating and Farm Ownership Loans for Beginning Farmers and Socially Disadvantaged Applicants</td>
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<tr>
<td>Continues Direct and Guaranteed Operating and Farm Ownership Loans</td>
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<tr>
<td>Continues Farm Storage Facility Loans</td>
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<td>Continues Continuous Conservation Reserve Program</td>
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WEBSITES

FSA - www.fsa.usda.gov
Kansas FSA - www.fsa.usda.gov/ks
USDA - www.usda.gov

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