



September 2010

# Nemaha County News

Nemaha County  
USDA Service Center

Nemaha County FSA  
409 North Street  
Seneca, KS 66538  
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FAX: 785-336-6010  
www.fsa.usda.gov/ks

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

County Committee  
Marvin Winkler  
Wayne Hermes  
Mark Carpenter  
Rita Buessing

County Committee meets  
2<sup>nd</sup> Tuesday of Month at 8:30 a.m.

Farm Program Staff  
Carla Jackson, CED  
Christine Christensen, PT  
Vicky Olenhouse, PT  
Peggy Woolsoncroft, PT  
Karen Van Winkle, PT

Farm Program Staff  
Kay McCoy, FLM  
Ray Mueting, FLO  
Donna Griswold, PT  
Charlene Boden, PT

## \*\*\*\*NEW!\*\*\*\*

### Loan Program Available for Conservation Practices

We are pleased to announce the new Conservation Loan (CL) program that will provide farm owners and farm-related business operators access to credit to implement conservation techniques that will conserve natural resources. Loans are available currently at a 4.375% rate for either seven or 20 years depending on security pledged.

CL funds can be used to apply conservation practices approved by NRCS, such as the installment of conservation structures; establishment of forest cover; installation of water conservation measures; establishment or improvement of permanent pastures; implementation of manure management; and the adaptation of other emerging or existing conservation practices, techniques or technologies.

The goal of FSA's Conservation Loan (CL) program is to provide farmers access to credit for these practices.

Unlike FSA's traditional farm ownership and operating loan programs that are targeted toward smaller and less financially established farmers, eligibility requirements are expanded to permit the agency to provide assistance to some applicants who may be too large and financially strong. In fact, for those applicants with a strong financial position, paperwork requirements can be significantly reduced by eliminating the requirement to provide a cash flow and its supplementary documentation.

Direct CLs can be obtained through FSA offices with loan limits up to \$300,000.00. Guaranteed CLs up to \$1,112,000.00 are available from lenders working with FSA.

For more information on the Conservation Loan Program, contact the Seneca FSA Office or visit the FSA website at [www.fsa.usda.gov](http://www.fsa.usda.gov).

### Foreign Investors 90-Day Reporting Rule

Foreign investors acquiring or transferring any interest in agricultural land exceeding 10 acres are required to report the transaction to FSA within 90 days. Failure to disclose this interest can result in civil penalties of up to 25 percent of the land's market value.

### Reconstitutions

In program terminology, farms are *constituted* when having the same owner and operator under one farm serial number. When changes in ownership or operation take place, a farm *reconstitution* is necessary. The reconstitution, or *recon*, is the process of combining or dividing farms or tracts of land based on the farming operation.

The following are the different methods used when doing a farm recon:

Estate Method – the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method - may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) land is sold to two or more persons; (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding.

DCP Cropland method – the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

Default Method – the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

### Annual Program Requirements for Price Support:

- All acreage on the farm must be reported by applicable deadlines (FSA-578).
- Compliance with sod/swampbuster provisions (AD-1026).
- Person Determination (CCC-902)
- Beneficial interest in the commodity.
- Shares a risk of producing the commodity.
- Not be convicted under Federal or State law of a controlled substance violation.
- Average Gross Income Provisions apply.
- Not have a Federal non-tax debt.



**Changing Banks**

Almost all FSA payments are made electronically using Direct Deposit. Problems with payments are 20 times greater with checks than with direct deposit. Another benefit is that Direct Deposit to your account can be made within 48 hours.

If you have changed accounts or institutions that might affect the direct deposit of your FSA payments, contact our office so we can update our files to ensure uninterrupted service.

**Controlled Substance**

Any person who is convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant. Prohibited plants include marijuana, opium poppies and other drug producing plants.

**CROP DISASTER PROGRAM**

Crop insurance records available to our office indicate that many producers in the county had crop insurance on one or more crops during the 2008 crop year. Producers that meet all eligibility criteria may qualify for a SURE (**Supplemental Revenue Assistance Program**). If a producer has crops (cropland, hay or pasture) in a designated or contiguous county, a production loss of 10% on at least one crop of economic significance is required to qualify.

**ELIGIBILITY CRITERIA:**

- \* You filed a full FSA farm acreage report of all land that you had an interest in during the 2008 crop year. This includes all cropland, hay and pasture, on all farms, in all counties. If you did not report all acreage – you must pay a \$46.00 late fee
- \* 50% or greater production loss on the entire farm operation or 10% loss if part of your farming operation is in a designated or contiguous county.
- \* You obtained crop insurance coverage on all crops, and for non-insurable crops, obtained NAP (Noninsured Disaster Assistance Program) during the 2008 crop year. (Exceptions: Insurance or NAP is not required on grazing land or for crops that are valued at less than 5% of the farming operations total expected revenue for all crops). All hayed crops must have been insured with a NAP policy.

**HOW DO YOU REQUEST A BENEFIT?**

If you feel that you meet the eligibility criteria outlined above, and experienced a revenue loss in 2008, contact our office as soon as possible. The FSA staff will load your 2008 acreage report and crop insurance data into a spreadsheet that will determine if you are due a benefit. If a benefit is due, an application for payment will be prepared for your signature.

The deadline to submit 2008 SURE program payment applications is September 30, 2010.

**Reminders**

All changes of address, operator, ownership, and direct deposit should be reported as soon as they are known throughout the year.

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.

Check your CRP Plan of operations and remember to get food plots planted if they are in your plan.

Weeds/trees must be controlled on Conservation Reserve acres.

Continuous	Rural Youth Loans for 10-20 Year Olds
Continuous	Farm Operating and Farm Ownership Loans for Beginning Farmers and Socially Disadvantaged Applicants
Continuous	Direct and Guaranteed Operating and Farm Ownership Loans
Continuous	Farm Storage Facility Loans
Continuous	Continuous Conservation Reserve Program

**WEBSITES**

- FSA - [www.fsa.usda.gov](http://www.fsa.usda.gov)
- Kansas FSA - [www.fsa.usda.gov/ks](http://www.fsa.usda.gov/ks)
- USDA - [www.usda.gov](http://www.usda.gov)
- Obtain a Level 2 e-Authentication Account - [www.eauth.egov.usda.gov](http://www.eauth.egov.usda.gov)

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