Delaware County News

September 2008

Delaware County USDA Service Center

Delaware County FSA
557 Sunbury Rd, Suite C
Delaware OH 43015
740-363-3671 (phone)
740-363-6520 (fax)

www.fsa.usda.gov/OH

Hours
Monday – Friday
8:00 am – 4:30 pm

County Committee
Craig Pittman, Chair
Dwight Piper, Vice Chair
Ed R Reely, Member
Carolyn Skinner, Advisor

County Committee meets
2nd Tuesday, 8:30 am

Staff
Don Henry, CED
Margaret Webster, PT
Patty Hope, PT
Julie Faurote, PT
Hal Clase, Field Reporter

Buy-In Waiver for Supplemental Disaster Assistance

Producers can establish 2008 eligibility for the new disaster assistance programs by paying the applicable administrative fee as required by the Food, Conservation and Energy Act of 2008 (the 2008 Act). Ordinarily producers who wish to participate in the new disaster programs would need crop insurance or non-insured crop disaster assistance (NAP) coverage on all farms in all counties in which they have an interest. Since the 2008 Act was enacted after the application periods had closed for those programs, producers who did not have insurance coverage could not comply with this requirement in order to be eligible. However, the 2008 Act authorizes a waiver that allows producers to pay a fee, called a "buy-in" fee, to be eligible for the new disaster assistance programs.

The buy-in fee is due no later than September 16, 2008. Payment of the applicable fees will allow the producer to be eligible for financial assistance under the Supplemental Revenue Assistance Program (SURE), Tree Assistance Program (TAP), Emergency Assistance for Livestock, Honey Bees and Farm-Raised Fish (EALHF), or Livestock Forage Disaster Program (LFP).

Note: The 2008 Farm Bill Permanent Disaster Program **requires all acreage**, including pastures producers harvest mechanically or graze, be insured. To be eligible for the Livestock Forage Disaster Program (LFP), livestock producers must have purchased a policy or plan of insurance for insurable grazing land or file the required paperwork and pay the administrative fee for noninsurable grazing land or pay the buy-in fee for grazing land **by Sept. 16, 2008**.

Those who miss this opportunity **will not** be eligible for 2008 disaster assistance. Producers are also reminded that the payment of the applicable buy-in fee **does not** provide the producer crop insurance or NAP coverage; it only affords eligibility for the 2008 disaster programs.

The buy-in fee for 2008 eligibility is $100 per crop, but not more than $300 per producer per administrative county, or $900 total per producer for all counties less any previously paid fees for CAT and/or NAP. Producers can contact their local administrative FSA county office to get more information or pay applicable fees **no later than September 16, 2008**.

2008 DCP Sign-up Continues

Producers have **until September 30, 2008** to sign-up for the 2008 Direct and Counter-cyclical Payment Program (DCP). Producers can fill out their 2008 DCP contract at any USDA Farm Service Agency County Office. Sign-up can also be completed on-line by going to http://www.fsa.usda.gov/FSA/edcp and clicking on "Access eDCP Service." Producers choose payment options, assign crop shares and sign and submit contracts from any computer with Internet access and also view and print submitted contract options. Producers who have not used their eAuth account for 180 days will have inactive accounts. If this happens, producers will need to contact the ITS helpdesk at the following telephone number: 1-800-457-3642, then Option 1, to reactivate their account.

FSA computes DCP payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2008, eligible producers may request to receive an advance payment of 22 percent of the direct payment for each commodity associated with the farm. FSA will issue advance direct payments as soon as practical after enrollment. Final direct payments will be issued after Oct. 1, 2008. Counter-cyclical payments vary depending on market prices, and are issued only when the effective price for a commodity is below its target price (which takes into account the direct payment rate, market price and loan rate).

For all eligibility requirements or additional information, contact your local FSA office.

CRP Annual Payments

The Farm Service Agency Staff wants to be certain CRP annual payments are correctly and timely made. Please notify your local FSA office if: your mailing address has changed; payee ID numbers have changed; or participant shares have changed. If you have established a trust agreement as a result of an estate planning process, or recently formed an entity (partnership, corporation, LLC, etc.) and you are enrolled in CRP, please report these changes as soon as possible to ensure proper payments are made. The easiest way to tell if the correct person(s) are being paid is to review the names and payment shares on the CRP-1 contract.

County Committee Elections

A slate of nominees for your county committee election has been established. The next step in the election process is the mailing of the ballots, which will begin on November 3, 2008. Voters have until December 1, 2008, to return their properly completed ballots to the county office. Elected committee members and alternates take office on Jan. 1, 2009.

Any person who meets the Prospective Voter requirements in 1 or 2 below as well as 3 is eligible to vote.

1. Be of legal voting age and have an interest in a farm or ranch as either:
    - An individual; or
    - The authorized representative of an entity.
2. Not of legal voting age, but supervises and conducts the farming operations of an entire farm.
3. Participates or cooperates in any U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) program that is provided for by law.

Discrimination Prohibited - 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.

If you have any questions about your voter eligibility, please contact your local FSA office.

Re-Enrolling Expiring CRP Contracts

CRP contracts expiring **on September 30, 2008** may be eligible to be re-enrolled with a new 10- to 15-year contract, provided the current contract scheduled to expire in September is in full compliance. If re-enrolled, the new continuous sign-up contract would begin October 1, 2008. All re-enrolled continuous sign-up CRP contracts will require new conservation plans to be developed. Other provisions may also apply. For further information regarding re-enrollment of an expiring CRP contract or for information regarding conservation and wetland compliance provisions for land leaving CRP and returning to crop production, please contact your local FSA office.

Please note that after the expiration of a CRP contract that had been devoted to trees, the acreage will no longer be considered cropland and may become ineligible for CRP or other farm programs. However, this provision does not apply for acreage immediately re-enrolled into a new contract without any intervening period of time.

If you are interested in re-enrolling your expiring CRP acreage, county office staff can help you determine which continuous CRP or CREP practices can work on your expiring acres. Please contact your administrative county FSA office as soon as possible to ensure your contract is approved by September 30th.

Farm Loan Programs

The Food, Conservation, and Energy Act of 2008 modified the Farm Service Agency's (FSA) Farm Loan programs. For Direct Farm Operating and Farm Ownership loans, the maximum loan amount has been increased to $300,000.

The FSA Farm Ownership Down Payment Loan program allows eligible Beginning farmers and Socially Disadvantaged family farmers to purchase farms with a 5% down payment, while financing up to 45% of the purchase price with a low interest direct loan from FSA. The remainder of the purchase price would be financed by another lender, who could qualify for a loan guarantee from FSA.

A Beginning Farmer is an individual or entity who (1) has not operated a farm for more than 10 years; (2) meets the loan eligibility requirements of the program to which he/she is applying; (3) substantially participates in the operation; and, (4) for FO purposes, does not own a farm greater than 30 percent of the median size farm in the county. (Note: all applicants for direct FO loans must have participated in the business operation of a farm for at least 3 years.) If the applicant is an entity, all members must be related by blood or marriage, and all members in a corporation must be eligible beginning farmers.

Socially Disadvantaged Applicants (SDA) are one of a group whose members have been subjected to racial, ethnic or gender prejudice because of their identity as a member of the group without regard to their individual qualities. SDA groups include; Women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

The Farm Ownership Down Payment Loan program was modified in several ways:

- Expanded to include Socially Disadvantaged Applicants;
- Interest rate reduced to the Direct Farm Ownership rate less 4% or 1.5% whichever is greater;
- Maximum loan amount changed from $100,000 to an amount not exceeding 45% of the least of:

(a). the purchase price of the farm; (b). the appraised value of the farm; or (c). $500,000. **Note:** This would result in a maximum FSA loan amount of $225,000 and no limitation on the purchase price of the farm.

- Loan term is extended from 15 years to 20 years; and
- Required down payment is reduced from 10% to 5%.

To find out more about the FSA Farm Ownership Down Payment Loan program, contact your local FSA county office to setup an appointment with a Loan Approval Official.

Farm Storage Facility Loans

Low interest rate loans for storage facilities are available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, 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.

Removing CCC Loan Collateral

Producers are reminded, if you have grain under Commodity Credit Corporation loan it cannot be removed or disposed of without prior county office staff authorization or repayment. The county office staff may issue release authorizations based on a telephone or in person request when you are ready to move the grain. A loan violation is subject to monetary and administrative penalties, such as repaying the loan at principal plus interest, liquidated damages, calling the loan and denial of future farm-stored loans and loan deficiency payments.

All commodity loans are subject to spot check. Locking in a market loan repayment rate is not a marketing authorization. If you are planning to move CCC loan grain, call the county office staff, before you HAUL!

Maintaining Stored Grain Quality

Producers are reminded to keep an eye on the condition and quality of the stored grain. Remember to contact your local FSA office if you notice changes in the condition and quality of the stored grain.

Selected Interest Rates for September 2008	
90-Day Treasury Bill	1.750%
Farm Operating Loans — Direct	3.875%
Farm Ownership Loans — Direct	5.125%
Farm Ownership Loans -- Down Payment	1.500%
Emergency Loans	3.750%
Farm Storage Facility Loans	3.625%
Sugar Storage Facility Loans	4.500%
Commodity Loans 1996-Present	3.250%

NAP Coverage Closing Date Extended

Since the Food, Conservation and Energy Act of 2008 was announced so late defining the 2009 risk management NAP Coverage requirement for the Supplemental Disaster Programs, the National Farm Service Agency (FSA) office has extended the Non-Insured Crop Disaster Assistance Program (NAP) coverage purchase date for 2009 only. **As a result, the State Committee established NAP application closing dates that fall before December 1, 2008 have been extended to December 1, 2008, for the 2009 application crop year**.

Please note that extending the 2009 NAP application deadlines to December 1, 2008, does not modify the definition of coverage period. NAP coverage will not begin until the later of the following dates:

- 30 calendar days after the date CCC-471 is filed; and
- The date the crop is planted not to exceed the final planting date.

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.

The application deadline date for the 2009 NAP coverage for winter wheat, rye, barley, speltz, apples, asparagus, blueberries, caneberries, cherries, chestnuts, forage for all hay and pasture, grapes, nectarines, peaches, pears, plums, strawberries, honey, maple sap, aquaculture (finfish), Christmas trees, floriculture, ginseng, mushrooms, ornamental nursery, turfgrass sod and watercress in **Ohio, is December 1, 2008**. For 2009-2012, the NAP Service Fees have increased from: $100 to $250 per crop; $300 to $750 per county; $900 to $1,875 per producer for all counties.

Producers who already have coverage on 2008 NAP crops may choose to continue coverage on the same crop or crops for 2009, 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.

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

Delaware County FSA Office
557 Sunbury Rd, Suite C
Delaware OH 43015

USDA United States Department of Agriculture

Youth Loans

The Farm Service Agency makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is $5000.

Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Live in a rural area or in a town of 50,000 people or fewer
- Must obtain a written recommendation and consent from a parent or guardian if the applicant has not reached the age of majority under state law
- Comply with FSA's general eligibility requirements
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision.

To find out more about the FSA Rural Youth loan program, contact your local FSA county office to setup an appointment with a Loan Approval Official.

Dates to Remember	
Sept. 16	**Final date** for the SURE, EALHF, LFP or TAP program buy-in.
Sept. 30	**Deadline** to sign-up ends for 2008 Direct and Counter-cyclical Payment Program.
Sept. 30	**Deadline** to approve CRP Re-Enrollments Expiring.
Oct. 13	Columbus Day Holiday. **FSA Offices Closed.**
Dec. 1	**Application deadline** for 2009 NAP coverage for Fall Crops.
Continues	Farm Storage Facility Loan program.
Continues	Continuous Conservation Reserve program.

Visit our website at: www.fsa.usda.gov/oh

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