



SEPTEMBER 2010

CROOK COUNTY FSA NEWS



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

REQUIREMENTS TO PURCHASE CROP INSURANCE AND/OR AN FSA NAP POLICY

Over the past few years, as part of the eligibility requirements to receive payments in disaster programs, producers were required to obtain crop insurance and/or NAP over the next two available years for crops that were not covered by an insurance or NAP policy during the year of disaster benefit. Currently, some of FSA disaster programs still require coverage (known as "Linkage") while others do not. Listed below are the programs and coverage requirements.

- SURE: (Crop Loss Disaster Program) Provides benefits triggered on an individual basis when a producer suffers a 10% loss, on any crop, in a disaster declared county or, when a 50% loss is suffered in a non-declared county.
- LFP: (Grazing Loss) Implemented when the Drought Monitor indicates at least a D2 drought designation - (8 consecutive weeks at the "severe" level) during the normal grazing period.
- ELAP: (Feed / Grazing losses) Implemented when disaster conditions are severe enough that the county committee requests assistance for losses not covered under other disaster programs.

Linkage Requirements: (coverage needed)

Program:	Insurable Crops (Crop Insurance)	Non-Insurable Crops (FSA-NAP)	Exceptions
SURE	At least CAT level for all insurable crops planted. All interest, all counties	NAP on all non-insurable crops planted. All interest, all counties	Crops intended for grazing (pasture)
LFP	At least CAT level on grazing crops incurring loss. (Can buy for specific acreages)	NAP on grazing crops (Policy covers all acres of crop)	None
ELAP	At least CAT level on all insurable crops planted/intended All interest, all counties.	NAP on all non-insurable crops planted/intended. All interest, all counties.	Crops intended for grazing.

There seems to be much confusion about FSA program eligibility and "Linkage" requirements. We hear reports that crop insurance tells someone they must insure their crops to participate in FSA programs. If you are confused, give us a call.

CROP INSURANCE DEADLINES

The purchase and cancellation deadline for 2011 coverage for perennial forage and wheat is **September 30th**. Miss the deadline and your crops are not insured. If you don't cancel your coverage by this date your policy rolls over and you are insured for 2011. For specific details contact your crop insurance agent.

NAP COVERAGE – NEW PURCHASE DEADLINE FOR 2011 PERENIAL FORAGE CROPS

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 (from an crop insurance agent). Statute limits NAP to each commercial crop or agricultural commodity, except livestock, for which CAT is not available.

The **application deadline date for 2011** NAP coverage for biennial and perennial forage crops, regardless of intended use, is **December 1, 2010**. *NOTE: This is a date change from April 1st.* Crops included in this date change are biennial forage (hay) crops such as sweet clover; perennial forage crops such as grass varieties, grass/alfalfa mix that are not insurable by crop insurance; and pasture grass for grazing. For all other crops (those not biennial or perennial) the application closing date remains the same – April 1, 2011 with the following exceptions: Producers who want “winterkill” coverage on HRW Wheat forage must purchase NAP by December 1st. Honey is December 1st. Call us for details of what crops to cover under the NAP program.

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.

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.

SUCCESSION IN INTEREST

If you have made any 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 that 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.

FSA FARM LOANS

The Farm Service Agency (FSA) offers loans for farmers and ranchers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, borrowers might have suffered setbacks from natural disasters or might be persons with limited resources.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,094,000. Emergency loans are always direct loans for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth Loans, Loans to Beginning Farmers and loans for socially disadvantaged applicants are also available through FSA.

RURAL 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
- Comply with FSA's general eligibility requirements
- Reside in a rural area, city or town with a population of 50,000 or fewer people
- 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.

BEGINNING AND LIMITED RESOURCE FARMERS

FSA assists beginning farmers and or members of socially disadvantaged groups to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more that 10 years
 - Will materially and substantially participate in the operation of the farm
 - Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
 - Does not own a farm in excess of 30 percent of the county's average size.
- Each member of an entity must meet the eligibility requirements. Loan approval is not guaranteed.

LOANS FOR THE SOCIALLY DISADVANTAGED

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of Socially Disadvantaged Applicants. A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders. If producers or their spouses believe they would qualify as socially disadvantaged, they should contact their local FSA office for details. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

DCP: DIRECT/COUNTER CYCLICAL PROGRAM (Payments on Farm Crop Bases)

For those of you that are participating in the **DCP** program and did not file a crop report: **You will not be paid DCP program benefits until a crop report is submitted.**

The deadline to file a crop report was July 1st so at this point in order to comply with DCP provisions a late-filed crop would need to be filed accompanied by a late-filed fee of \$46 (minimum fee amount).

Late-filed crop reports require an onsite inspection to determine the accuracy of the acreage report. This inspection **MUST** verify the physical existence of the crop or crop residue, the crops use (forage, grain) and the crop acreage. Untimely late-filed crop reports run the risk that not enough physical evidence of the crop is present in order for FSA to make proper crop existence determinations. If this occurs, DCP payments will not be issued.

Crook County FSA Office
PO Box 1070
Sundance, WY 82729



Have a wonderful fall, *Mike Idler*

Important Dates to Remember:

Sept. 30...Crop Insurance Deadlines

Oct. 11...Office Closed –Columbus Day

Continuous...Report Adverse Weather Conditions and the Affects on your Operation

Continuous...Document Livestock Losses due to Normal Reasons

Within 30 Days...File Notice of Loss on Livestock deaths from Adverse Weather Conditions

Timely...File Notice of Loss for NAP Crops

Dec. 1...NAP Policy Purchase Deadline

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, 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." Special Accommodations will be made for the physically handicapped, vision or hearing impaired person upon request. If accommodations are required, please call Mike Idler. CED at (307) 283-2870.