



BROWN COUNTY FSA
1310 OREGON
HIAWATHA, KS 66434

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

County Committee:
Robert Bowen
Van Koelliker
Douglas Meyer

Advisor:
Evelyn Lierz

COC MEETINGS:
1st Tuesday of each
month at 8:30 A.M.

Staff:
Linda Kelsey, PT
Rosemary Kopp, PT
Lucinda Schilling, PT
Barbara Shefferd, PT
Robbie Roesch, TF
Kim Kee, CED

Loan Manager:
Bruce Nutsch
(913) 833-533-5460

Internet Web Sites:
USDA-www.usda.gov
FSA-www.fsa.usda.gov
NRCS-www.nrcs.usda.gov

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Loan Rates

2006

WHEAT	\$2.87
CORN	\$1.86
SOYBEANS	\$4.91
OATS	\$1.34
GR SORGHUM	\$3.31
SUNFLOWERS	\$9.14

Interest Rates

Commodity Loans - 6.125%
Farm Stored Facility Loans
– 4.875%

BROWN COUNTY FSA FARMLINE

SEPTEMBER 2006

FSA COUNTY COMMITTEE ELECTION

The 2006 election for the Brown County Committee will be for Local Administrative Area 1, the western portion of Brown County. This area includes Morrill, Walnut, and Powhattan townships. The ballots for this election will be mailed to all eligible producers in LAA 1 by November 3, 2006. Ballots must be returned to our office or postmarked by December 4, 2006. Ballots will be counted on December 7, 2006.

The election of agricultural producers to Farm Service Agency (FSA) county committees is important to ALL farmers and ranchers. It is crucial that every eligible producer participate in their county election because FSA county committees are a direct link between the agricultural community and the U.S. Department of Agriculture.

Committee members are a critical component of the operations of FSA. They help deliver FSA programs at the local level and also help with the decisions necessary to administer the programs their county offers. Committee members work to make FSA programs serve the needs of local producers. FSA committees operate within official regulations designed to carry out federal laws. Committee members apply their judgment and knowledge to make local decisions.



Record Changes

If you have bought, sold, or are renting different land, make sure you report the changes to the FSA Office as soon as possible after the change occurs. For farm ownership changes you will need to provide a recorded deed or recorded land contract. Failure to maintain accurate records with FSA on all land you have an interest in could lead to possible ineligibility for USDA benefits. Changes affecting 2006 crops must be made by September 29, 2006.

DCP – DIRECT AND COUNTER-CYCLICAL PROGRAM SIGNUP

Signup for the 2007 Direct and Counter-Cyclical Program will begin October 1, 2006.

Late file applications for the 2006 DCP signup will be accepted through September 29, 2006 if the producer pays a \$100 late file fee per farm.

Farm Storage Facility Loans

Low cost loans for storage facilities are available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, rice, 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. There is a \$45 application fee to begin the application process.

The interest rate changes each month. The September interest rate for Farm Storage Facility Loans is 4.875%. For details, contact the county office staff.

2006 COMMODITY LOANS

Nine month nonrecourse loans are available for warehouse and farm stored grain. The loan can be repaid at the PCP (Posted County Price) or principal plus interest.

LOCK-IN Rate (CCC-697) – Once a CCC loan is issued, producers have the option to lock-in the daily PCP as the amount for repayment. This lock-in rate is

effective through the earlier of 14 calendar days before the loan maturity date, or 60 days from the date of approval of the rate. A producer may repay the loan any time during the 60 days at the locked-in rate. At the end of 60 days or 14 days prior to loan maturity, the producer may repay the loan at the current PCP. A producer has a *one-time* opportunity to "lock-in" a rate for 60 days. *Only one initial 60 day lock-in rate is allowed on the same bushels.*

Marketing Authorizations (CCC-681-1) – Producers may request that a commodity pledged as collateral for a CCC farm stored loan be released for delivery to a buyer before repayment of the loan. The entire loan quantity will be released and the delivery period is normally for 15 or 30 calendar days. At the time of the request, the producer must inform the office where the grain will be delivered. The repayment of the loan purchased by the buyer must be received from the buyer; otherwise, the buyer is violating the clear title provisions.

You must have authorization before moving any farm stored grain under loan.

LDP's / CCC-633EZs

To be eligible for loan deficiency payments you must have completed Page one of the CCC-633EZ. Form CCC-633EZ can be used to secure an LDP on production: 1) delivered to a buyer and beneficial interest has been retained 2) delivered to a buyer and beneficial interest has been lost, or 3) stored on the farm or other location and beneficial interest has been maintained. As long as the CCC-633EZ Page 1 is on file before beneficial interest is lost, an LDP may be requested on form CCC-633EZ page 2. The CCC-633EZ page 2 can be filed: 1) before harvest begins to provide an LDP based on the date of delivery (as CCC-709 previously provided), or 2) after harvest of the crop, whether beneficial interest has been retained or not. If you have any questions, please contact the county office BEFORE harvest, as there are many options available.

NEW BENEFICIAL REQUIREMENTS FOR 2006: Beneficial interest requirements have changed for 2006 and subsequent crop years for commodity loans and LDP's. Producers must have control of the commodity or title to the commodity. A producer has control of the commodity if the producer retains: 1) the ability to make all decisions affecting the commodity, 2) all risk of loss associated with producing and maintaining the quality and quantity of the

commodity. A producer may be considered to have title to the commodity if the producer has not sold or delivered the commodity for market, including the delivery of a warehouse receipt. If either of these conditions is not true, the producer has lost control of the commodity, therefore, the producer does not have beneficial interest in the commodity. For warehouse stored grain, **we are now required** to have a statement on the production evidence (ledger sheet, settlement sheet, etc.) signed by a warehouse representative that states, "Title and control remains with the producer and a negotiable warehouse receipt can be issued to the producer for the quantity physically delivered to the warehouse". This places an additional burden on the producer and the warehouse; however, this is **national** procedure.



IMPORTANT DATES TO REMEMBER

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| September 29 | Last day to submit record changes |
| September 29 | 2006 DCP Enrollment deadline (with \$100 late file fee) |
| October 9 | Office closed in observance of Columbus Day |
| November 10 | Office closed in observance of Veterans Day |
| November 23 | Office closed in observance of Thanksgiving |



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To file a complaint of discrimination, write USDA, Director of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer."