



COFFEY COUNTY FARM SERVICE AGENCY

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HOURS:

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

Office Closed

Oct. 12 - Columbus Day
Nov. 11 - Veterans Day
Nov. 26 - Thanksgiving
Dec. 25 - Christmas Day

County Committee

Max Osborn
Bonnie Davies
John Henry Rolf

Meetings- 2nd Wednesday of every month

Staff

Kim Specht, PT
Vicki Fry, PT
Vickie Wolford, PT
Megan Wilson, PT

Loan Manager

Stacy Kull

Executive Director

Marilyn Glissman

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COFFEY COUNTY FSA NEWS

September 2009

Farm Storage Facility Loan Program Changes

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The new maximum principal amount of a loan through FSFL is \$500,000. Participants are now required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. New loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department.

Payments are available in the form of a partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount.

Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin.

The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley or minor oilseeds harvested as whole grain
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain
- Pulse crops - lentils, small chickpeas and dry peas
- Hay
- Renewable biomass
- Fruits (including nuts) and vegetables - cold storage facilities

For more information about FSFL please visit our office or www.fsa.usda.gov.

Reasonable Accommodations

Reasonable accommodations will be made, upon request, for individuals with disabilities, vision or hearing impairment. Please call our office and we will make any arrangements that are necessary.



Farm Loans

The Farm Service Agency makes both direct and guaranteed operating loans to family-size farmers and ranchers, involved in crop production, livestock, fruits, vegetables, nuts and other farm related products produced.

Direct operating loans made by FSA have a low fixed interest rate. Loan funds can be used to finance machinery, equipment, livestock, feed, seed, plants, supplies, or refinance carryover operating expenses. The maximum loan amount is \$300,000 with a September interest rate of 3.0%. Youth loans are available up to \$5,000. An individual must be unable to obtain commercial credit to qualify for a direct loan. This can be due to lack of down payment, equity, inability to cash flow at commercial lenders rates and term, etc.

Guaranteed Operating loans made by your local lender can be guaranteed by FSA up to 95% of the loan amount. If an individual qualifies for the interest assistance program, FSA can pay 4.0% of the customer's interest expense for a period of 5 years. The maximum loan amount under the guaranteed OL program is \$1,094,000.

The FSA-Farm Loan Program Office located in Ottawa administers farm loan programs for Coffey County producers. **Please contact their office at (785) 242-3527 ext 38 or 39 if you have any questions.**

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 a 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.

Conservation Reserve Program Reminders

The following lists some of the general responsibilities and maintenance requirements of the CRP participant regarding terms of a CRP contract(s). These are general items and are not intended to be inclusive of all details or all of your responsibilities. Refer to your Conservation Plan of Operations (CPO) for specific guidelines. Compliance with all the terms and conditions of the CRP contract and monitoring the CRP practice(s) is the participant's responsibility.

- ✓ The practices, approved for your CRP contract, must be established by the specified deadline and maintained during the contract term, which includes control of undesirable vegetation. Maintenance activities may not be performed during the primary nesting season of April 15 through July 15. Contact this office if you have concerns regarding your practice, the practice status, or practice progression.
- ✓ Trees are prohibited on CRP unless it is in the CPO. To modify your plan you will need to visit with the Natural Resource Conservation Service (NRCS). All stands must be maintained by mowing, burning or chemicals to control noxious weeds, trees etc. Producers need to review their CPO and determine what is required of them.
- ✓ Haying, grazing or harvesting of CRP acres is not allowed. You may request to do manage haying and/or grazing on your CRP provided written approval by FSA is received before the activity begins. Specific provisions apply.
- ✓ Recreational hunting is permitted on CRP consistent with State law and bag limits for the appropriate game species.
- ✓ CRP acreage may not be used for storage of any type, such as equipment, hay, municipal waste, livestock waste/by products. Other prohibited use of CRP acreage includes but is not limited to the following:
 - Asphalt/concrete plants
 - Trash disposal areas
 - Parking and/or storage of machinery, hay, junked autos, etc
 - Livestock feed storage
 - Permanent road/trails
 - Oil gas wells, associated tanks and access roads, etc
 - Cosmetic mowing
 - Mowing of strips for hunting
 - No buildings or houses
- ✓ An annual certification of CRP compliance must be completed before August 1 by filing an acreage report on the FSA-578. This certification must be signed by the individual receiving the payment. An operator of the tillable acreage on the farm can not sign this unless they receive a share of the CRP payment.
- ✓ FSA completes continuous random inspections throughout the year to ensure CRP contracts are in compliance with program provisions. Anytime a compliance issue occurs, the terms and conditions outlined under the CRP-1 Appendix and CRP regulations will be used to resolve the compliance issue that may include assessed penalties or contract termination.
- ✓ Required or voluntary management activities, to enhance the conservation practice, are available to be completed with cost-share assistance.

- ✓ Once under contract, planting and harvesting of agricultural commodities are not allowed even though you might be waiting for construction to begin. (For example on a grassed waterway or shallow water areas.)

If you desire to do any of the activities mentioned above, please visit with a member of the Coffey County FSA for full details. We want to work with you for the success of your CRP contract.

SAFE Conservation Projects

Enrollment in Kansas State Acres for Wildlife Enhancement (SAFE) continues. SAFE is a component of the Conservation Reserve Program (CRP), tailored to specific watershed areas. SAFE practices serve to restore wildlife habitat by establishing small blocks of grassland and enhancing existing habitats. Certain wildlife species are in decline, and SAFE habitats are designed to help revitalize these populations.

Under CRP, farmers and ranchers enroll eligible land in 10 to 15-year contracts. These plantings help prevent soil and nutrients from running into regional waterways and affecting water quality. The long-term vegetative cover also improves wildlife habitat and soil quality.

In addition to the annual rental payment and cost-share, SAFE may offer participants an up front one-time CRP Signing Incentive Payment (SIP) of \$100 per each SIP-eligible acre and a Practice Incentive Payment when cost share is made.

For more information about potential SAFE projects in your area, contact your local FSA office.

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.

