

COLUSA COUNTY NEWS

CROP DISASTER PROGRAM

COLUSA COUNTY USDA SERVICE CENTER

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The Crop Disaster Program (CDP) provides benefits to farmers who suffered quantity and quality losses to 2005, 2006, or 2007 crops. CDP sign-up for quantity losses began on October 15, 2007. USDA will announce and conduct CDP sign-up for quality losses as soon as possible. Losses from natural disasters may qualify for financial assistance.

Producers who incurred qualifying losses in 2005, 2006 or 2007 can apply for benefits for every year and will be paid the highest dollar amount. Participants may apply for loss benefits on multiple commodities as long as the losses occurred in the same crop year.

Only producers who obtained crop insurance coverage or coverage under the

Noninsured Crop Disaster Assistance Program for the year of loss will be eligible for CDP benefits.

Producers must have suffered quantity losses in excess of 35%. For most crops, the calculation will compare the production amount to the higher of the county yield or the producer's actual production history. The amount of loss in excess of 35% will be eligible for quantity payments at 42% of the payment rate. In addition to quantity loss payments, payments for quality reductions due to eligible conditions in excess of 25% may be provided. To receive quality payments, producers must suffer an economic loss to quality-affected production of at least 25% of the expected value. Assistance,



together with any crop insurance or NAP payment received for the same crop and including the value of the crop production not lost, must not exceed 95 percent of the total value of the crop absent the disaster. Farmers may receive a maximum of \$80,000 in CDP benefits. No ending date has been announced for the sign-up.

NOTES FROM THE CED

With both the House and Senate versions passed, the farm bill is now headed for conference committee. Senator Tom Harkin, who will Chair the Committee, is predicting they'll have a solid bill that the President can sign by early this year. Last year's tremendous push to update local farm records and obtain

required supporting documentation hopefully puts us in a position to quickly implement the new programs. However, we are all in the "wait and see" mode until something is actually signed into law.



AGRICULTURAL FOREIGN INVESTMENT DISCLOSURE ACT

The Agricultural Foreign Investment Disclosure Act requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture.

Foreign investors, who buy, sell or hold a direct or indirect interest in U.S. agricultural land must report their holdings and transactions to the Farm Service Agency within 90 days of the closing. It

requires any foreign person who:

- acquires or transfers any interest other than a security interest in agricultural land to submit a completed FSA-153 to the Secretary of Agriculture not later than 90 calendar days after the date of acquisition or transfer, or
- held any interest, other than a security interest, in agricultural land on

February 1, 1979, to have submitted a report to the Secretary not later than August 1, 1979.

Failure to timely file or foreign persons who knowingly submitted a report that was incomplete, misleading, false or an inaccurate report can result in a penalty with fines up to 25% of the fair market value of the agricultural land on the date the penalty is assessed. County

government offices, realtors, attorneys, and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.



NON-INSURED CROP DISASTER ASSISTANCE PROGRAM (NAP)

The non-insured Crop Disaster Insurance Program (NAP) is 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. NAP is available for commercial crops or agricultural commodities except livestock for which federal

crop insurance is not available.

Producers with NAP coverage must complete the following in order to qualify for benefits:

- Timely file accurate acreage reports and keep a record of harvested production using acceptable methods.
- File a "Notice of Loss" within 15 days of the disaster event, or as soon

as a loss is apparent, due to natural disaster condition.

- Timely file production records no later than the next year's subsequent acreage reporting date.
- Report any changes to your farming operation or gross income, as they occur.
- Annually pay the administrative fee in the county for the crops that

you wish to receive NAP coverage.

The fee required to apply for NAP is \$100 per crop per county. There is however a maximum fee of \$300 per county with a limit of \$900 for all crops in all counties.

BANK ACCOUNT CHANGES

As of January 1, 1999, all payments issued by the county FSA office are supposed to be by direct deposit (electronic funds transfer) to a pre-designated checking or savings account with your financial institution.

In order for FSA to make timely payments, you need

to notify the FSA Office if you change or close your bank account, or if your bank is purchased by another financial institution. Payments can be delayed if we are not aware of changes to account or bank routing numbers.



SIGNATURE AUTHORITY/POWER OF ATTORNEY

Farm Service Agency contracts, applications and forms must have correct signatures and appropriate signature authority on file before it is considered complete. All entities, including revocable and irrevocable trusts, corporations, partnerships, estates, etc., must provide evidence of signature authority stipulating those individuals who are authorized to represent the entity.

FSA cannot accept signatures without appropriate documentation on file. Examples of acceptable documentation include trust agreements, corporate charters or resolutions, partnership agreements and court orders of appointment.

Husbands and wives may sign documents on behalf of each other for FSA and CCC programs in which either has an interest. This

option is automatically available unless a written request for exclusion is made to the county office staff by either spouse. Any person who signs USDA documentation on behalf of another person must have a completed Power of Attorney (FSA-211) on file. Please check with the county office staff for more details.



USDA FARM STORAGE LOANS

The Farm Service Agency offers seven-year, low-interest loans to grain producers to build new or upgrade existing storage facilities and related essential, permanently affixed drying or handling equipment. Loan opportunities include, but are not limited to:

- New conventional-type cribs or bins, oxygen-limiting and other upright silo-type structures, and flat-type storage structures designed for whole grain storage,

- Perforated floors, safety equipment, quality improvement equipment, electrical equipment and concrete components considered essential for a fully functional storage facility,
- Remodeling existing storage facilities to increase storage capacity.

Farm storage facility loans must be approved prior to site preparation, equipment purchase or construction, and must be secured by a promissory note and security

agreement. Special provisions apply for loans exceeding \$50,000. The maximum loan amount will be 85 percent of the net cost of the applicant's needed storage or handling equipment, not to exceed \$100,000 per borrower. A minimum down payment to the supplier or contractor is required to bridge the gap between the net cost of the storage facility and the loan amount.

Fixed interest rates on farm storage facility loans are equivalent to the rate of interest charged on

U.S. Treasury Securities of comparable maturity on the date the loan is approved. As of December 2007, the annual interest rate is 4.75 percent.

For detailed applicant and facility eligibility criteria regarding Farm Storage Facility Loans, and to schedule an appointment to file an application, contact the Colusa County office at (530) 458-5131 or visit FSA on the World Wide Web at <http://www.fsa.usda.gov>

ELIGIBILITY/ FARM RECORD CHANGES

Please remember that it is your responsibility to report changes to your farm operation as they occur! This includes but is not limited to changes in land ownership to a revocable trust, individual or entity,

increase or decrease in members and changes in member's shares for entities, addition or reduction in acres/leases, etc.

Failure to report changes may result in ineligibility and/or refunds of program benefits.





COUNTY COMMITTEE ELECTION RESULTS

Congratulations to Knute Myers who was re-elected to the County Committee. This will be Knute's 2nd consecutive term on the County Committee.

FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.



IMPORTANT DATES

Jan. 21	Holiday (FSA office closed)
Feb. 18	Holiday (FSA office closed)
Mar. 1	NAP closing date: 2008 Annual Spring Planted Crops (Vegetables).
April 30	Last day to certify fall seeded crops.
July 15	Last day to certify spring seeded crops.

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