



November 2009

Wilson/Woodson County News



Wilson/Woodson County USDA Service Center

**Wilson/Woodson County
FSA Office**
930 N 2nd St.
Fredonia, KS 66736
620-378-2128
FAX: 620-378-2420
www.fsa.usda.gov/ks

Hours

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

County Committee

Greg Carter
Henry Eggers
Mark Huser
Gyla McVey
Lauren Pringle

County Committee meets
2nd Thursday of each month
at 8 a.m.

Staff

Suann Bolton, PT
Sandra Gorton, PT
Debbie Morrison, PT
Valerie Worrell, PT
Leon E. Stauffer, CED



OFFICE CLOSURES

November 26, Thanksgiving
Day
December 25, Christmas
Day
January 1, New Years
Day

LOAN RATES/WILSON

WHEAT	\$2.61
OATS	1.37
CORN	2.07
SORGHUM	3.44
SOYBEANS	4.99
SUNFLOWERS	9.45

LOANS RATES/WOODSON

WHEAT	\$2.61
OATS	1.37
CORN	2.03
SORGHUM	3.36
SOYBEANS	4.95
SUNFLOWERS	9.41

2010 DCP SIGNUP

Enrollment for the 2010 Direct and Counter-cyclical Program (DCP) has begun and will continue through June 1, 2010. USDA urges producers to make use of the eDCP automated website to sign up, or producers can visit any USDA Service Center to complete their 2010 DCP contract. USDA computes DCP Program 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 2010, eligible producers may request to receive advance direct payments based on 22 percent of the direct payment. USDA will issue advance direct payments beginning Dec. 1, 2009. Counter-cyclical payment rates vary depending on market prices. Counter-cyclical payments are issued only when the effective price for a commodity is below its target price. The effective price is the higher of the national average market price received during the 12-month marketing year for each covered commodity and the national average loan rate for a marketing assistance loan for the covered commodity.

THE ACRE OPTION

The optional ACRE Program provides a safety net based on state revenue losses and acts in place of the price-based safety net of counter-cyclical payments under DCP. A farm's payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year national price for each eligible commodity. For 2010, the 2-year price average will be based on the 2008 and 2009 crop years. An ACRE payment is issued when both the state and the farm have incurred a revenue loss. The payment is based on 83.3 percent (85 percent in 2012) of the farm's planted acres times the difference between the State ACRE guarantee and the state revenue times the ratio of the farm's yield divided by the state expected yield. The total number of planted acres for which a producer may receive ACRE payments may not exceed the total base on the farm. In exchange for participating in ACRE, in addition to not receiving counter-cyclical payments, a farm's direct payment is reduced by 20 percent, and marketing assistance loan rates are reduced by 30 percent. The decision to enroll in the ACRE Program is irrevocable. The owner of the farm and all producers on the farm must agree to enroll in ACRE. Once enrolled, the farm shall be enrolled for that initial crop year and will remain in ACRE through the 2012 crop year. The June 1, 2010, deadline is mandatory for all participants. USDA will not accept any late-filed applications.

ACREAGE REPORTS NEEDED FOR SURE

Because of the delay in announcing the provisions of the Food, Conservation, and Energy Act of 2008, producers enrolling in the Supplemental Revenue Assistance Program (SURE) are reminded that 2008 crop reports are required for SURE participation. This includes crops planted on cropland and/or non-cropland, including native pasture or improved grass that will be hayed. Physical evidence of the crop in the field is not required for Farm Service Agency (FSA) to accept late-filed 2008 acreage reports. "However, evidence of existence or disposition, is required.

The following requirements for 2008 SURE include:

- producers **must** report all crops, in all counties, in which they have an interest
- late-filed fees shall be waived for late-filed 2008 acreage reports and physical evidence in the field is not required
- if the actual use of a crop is different from the intended use reported, the producer may report the final use to the County Office; however, the intended use shall **not** be changed.

Signup for 2008 SURE has begun; applications are taken on FSA-862. Producer completes Part A, Unaffected Crops and Record of Loss and Part B, Crops with Quality Reduction. Parts A & B must be completed by the producer. The provisions noted are for 2008 only. For 2009 and 2010, normal acreage reporting requirements will be applied.

More details on the 2008 SURE Program are available at county FSA offices or on line at www.fsa.usda.gov

DISASTER ASSISTANCE PROGRAMS

Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish (ELAP)

Livestock Forage Disaster Program (LFP)

Livestock Indemnity Program (LIP) (NAP – Non-insured Assistance Program coverage not required)

Supplemental Revenue Assistance Payments (SURE) Program

Tree Assistance Program (TAP)

To be eligible for these programs, producers must purchase at least catastrophic risk protection (CAT) level of crop insurance for all insurable crops and/or Noninsured Crop Disaster Assistance Program (NAP) coverage for non-insurable crops under SURE, TAP, and ELAP and LFP. In the 2008 Farm Bill; in general, the term "farm" means the sum of all crop acreage in all counties that is planted or intended to be planted for harvest by the eligible producer. In the case of aquaculture, the term "farm" means all fish being produced in all counties that are intended to be harvested for sale by the eligible producer. In the case of honey, the term "farm" means all bees and beehives in all counties that are intended to be harvested for a honey crop by the eligible producer. Producers who meet the definition of a Socially Disadvantaged, Limited Resource Producer, or Beginning Farmer or Rancher, do not have to meet this risk management purchase requirement.

LIVESTOCK DEATHS

Livestock Indemnity Program (LIP) provides benefits to livestock producers for livestock deaths in excess of normal mortality caused by adverse weather. A list of normal mortality rates for Kansas can be obtained at your local FSA county office. Applicants must provide adequate documentation to prove that the eligible livestock deaths occurred as a direct result of an eligible adverse weather event in the calendar year for which benefits are being requested. LIP payments are calculated by multiplying the national payment rate for each livestock category by the number of eligible livestock in each category. National payment rates are found on the LIP Fact Sheet at www.fsa.usda.gov. A Notice of Loss must be filed within 30 days after the death is apparent. The final date to submit an Application for Payment is Jan. 30 of the following year.

VOTING FOR COUNTY COMMITTEE BEGINS

Ballots for this year's county committee election will be mailed to eligible voters, in local administrative area (LAA) conducting election, on November 6, 2009. Voters must complete their ballots and return them to the Farm Service Agency county office by the close of business on December 7, 2009. If mailed, ballots must be postmarked by midnight December 7, 2009.

The candidates in this year's election are:

Edward Jones is nominated in LAA 4, Woodson County, to serve as a committee member. **Travis Nelson** and **Greg Carter** have been nominated in LAA 2, Wilson County to serve as committee member. Eligible voters in a LAA 4 in Woodson and LAA 2 in Wilson who have not received a ballot should contact the FSA county office staff.

Voter Requirements Persons meeting requirements in 1 or 2, plus 3, below, are eligible to vote:

- Be of legal voting age and have an interest in a farm or ranch as either of the following:
an owner, operator, tenant or sharecropper, or a partner in a general partnership or member of a joint venture that has an interest in a farm as an owner, operator, tenant or sharecropper; or
- Not of legal voting age, but supervises and conducts the farming operations on an entire farm; and
- Eligible to participate in any FSA program that is provided by law, regardless of the status of funding.

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. Just a reminder: Be watching your mailbox for your official county office committee election ballot. Ballots will be mailed to all eligible voters, in local administrative area conduction election, starting on November 6, 2009. If, for some reason, you don't receive a ballot, feel free to notify the county FSA office. Completed and signed ballots are due back in the county office by the close of business on December 7, 2009.

CHANGING BANKS

Almost all Farm Service Agency payments are made electronically using Direct Deposit. This innovation has cut down on the number of missing and late payments and reduced the time required to move funds. It has been calculated that having a problem with a payment is 20 times greater with checks than with Direct Deposit. Another benefit is that Direct Deposit to your account can be made within 48 hours. To keep the system running smoothly, it's critical to keep the county office staff up to date on changes you might make in your financial institutions. If you have changed accounts or institutions that might affect the direct deposit of your FSA payments, contact the FSA county office so we can update our files to insure continued uninterrupted service.

MARKETING ASSISTANCE LOANS

Marketing Assistance loans are commodity loans available to producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop through the time of application. Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; and title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if you regain beneficial interest. Commodity loan eligibility also requires you comply with conservation and wetland protection requirements; beneficial interest requirements, report how you use cropland acreage on the farm and ensure that the commodity meets CCC minimum grade and quality standards. For commodities to be eligible they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan. Producers do not have to participate in the Direct and Counter-Cyclical Program to be eligible for commodity loans. Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans. The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producers name will be placed on a loan violation list for a two-year period. Always call the office before any grain under loan is fed or sold.

FARM STORAGE FACILITY LOANS

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 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

NAP CERTIFICATION DATES

15 days prior to grazing or haying fescue, native, wheat, oats and barley

CERTIFICATION DATES

Wheat, Oats and Barley May 31.

PREVENTED PLANTED WHEAT MUST BE FILED BY NOVEMBER 30, 2009!

Corn, soybeans, grain sorghum and sunflowers, August 2

FOREIGN INVESTORS

Foreign owners of U.S. agricultural land are required by law to report their land holdings, acquisitions, leases of 10 years or more, and land use changes within 90 days to the local FSA offices. Failure to report these changes can result in a civil penalty of up to 25 percent of the fair market value of their interest in the agricultural land.

NONDISCRIMINATION STATEMENT
"The U.S. 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, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (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, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer."

PAYMENT ELIGIBILITY

Program payments that require eligibility determinations prior to payment include the Direct and Counter Cyclical Program, Conservation Reserve Program, Loan Deficiency Payments, Marketing Loan Gains, Milk Income Loss Contract (MILC) Program, and Disaster Assistance Programs. Certain eligibility requirements apply to some programs and not others. No program benefits can be afforded any producer until form CCC-902, Farm Operating Plan for Payment Eligibility Review and supporting documentation have been provided and County Committee determinations made. The Farm Operating Plan does not need to be filed annually. However, producers are required to notify the County Office of any changes in the farming operation which would affect an actively engaged in farming, cash-rent tenant, or foreign person determination. Changes that may affect a determination include, but are not limited to the following: Contract shares that may reflect a change of land lease from cash rent to share rent or a change from share rent to cash rent, modification of a variable/fixed bushel rent arrangement. The size of a producer's farming operation by the addition or deletion of a farm that may affect the application of a cropland factor. The structure of a farming operation, including any change in the member's share. Contributions of farm inputs of capital, equipment active personal labor, or active personal management. The acquisition of farming interests not previously disclosed on CCC-902 or update, including the farming interests of a spouse or minor child. An increase in income that may affect the 3-year average for the determination of average adjusted gross income or other change that affects eligibility under the average adjusted income limitation. By statute, entities earning program benefits subject to a payment limitation must provide to the county committee the names, addresses, and ID numbers of the entities' members. Signature authority is required for all entities. Form AD-1026,

Highly Erodible Land Conservation (HELC) and Wetland Certification (WC), must also be on file and a County Committee determination made prior to receiving benefits for most programs. In addition certain programs require compliance with cash rent tenant rules, actively engaged in farming requirements, and foreign person rules. A person or entity can earn \$40,000 per year in Direct payments, \$65,000 in Counter Cyclical payments, \$50,000 under the Conservation Reserve Program, and \$100,000 under the Noninsured Crop Disaster Assistance Program. An individual or entity cannot be eligible to receive certain payments and benefits if the average adjusted gross income (AGI) exceeds \$500,000 in non-farm income. In addition, to be eligible for direct payments the AGI farm income can not exceed \$750,000. For conservation programs the AGI threshold is \$1 million of non-farm income unless 66.66% of the AGI is derived from farming, ranching, or forestry. Payment limitation and payment eligibility determinations may be initiated by the County Committee or requested by the producer. All payment limitations and eligibility determinations, as well as AGI certifications, are subject to spot check. A "not actively engaged in farming" determination may result in the loss or denial of all program benefits and request for repayment of USDA payments or loans. Noncompliance with the adjusted gross income provisions, either by exceeding the applicable limits or by failure to submit the applicable certification statement, will result in the determination of ineligibility for all program benefits subject to the adjusted gross income provisions. Program benefits shall be reduced in an amount that is commensurate with the direct and indirect interest held by an ineligible individual or entity in any entity, general partnership, or joint operation that receives benefits subject to the average adjusted gross income limitation.