

September 2007

Delaware County News



Delaware County
USDA Service Center

Delaware County FSA
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Hours
Monday – Friday
8:00 am – 4:30 pm

County Committee
Dwight Piper, Chair
Craig Pittman, Vice Chair
Ed R Reely, Member
Carolyn Skinner, Advisor

County Committee meets
2nd Tuesday, 8:30 am

Staff
Don Henry, CED
Margaret Webster, PT
Patty Hope, PT
Julie Faurote, PT
Hal Clase, Field Reporter



Disaster Sign-Up Dates Announced

USDA recently announced sign-up dates for the new Livestock Compensation Program (LCP), Livestock Indemnity Program (LIP) and Crop Disaster Program (CDP). Eligible participants and other livestock producers can apply to receive benefits under the **LCP and LIP starting September 10, 2007.**

Eligible participants can sign-up for the **CDP beginning October 15, 2007, if they suffered quantity losses to their crops.** USDA will announce and conduct CDP sign-up for quality losses as soon as possible.

LCP compensates livestock producers for feed losses and/or LIP for livestock losses occurring **between Jan. 1, 2005, and Feb. 28, 2007,** due to a natural disaster. Producers in primary counties declared Secretarial disaster areas or certain counties declared Presidential disaster areas between Jan. 1, 2005, and Feb. 28, 2007, are eligible as are producers located in counties contiguous to those counties. Producers in a primary (or contiguous) county that received an Administrator's Physical Loss Notice directly associated with a disaster declaration will also be eligible.

CDP provides benefits to farmers who suffered quantity and quality losses to 2005, 2006, or 2007 crops from natural disasters if the crop was planted before Feb. 28, 2007, or, in the case of prevented plantings, for crops that would have been planted before Feb. 28, 2007. Producers who incurred qualifying losses in 2005, 2006 or 2007 must choose only one year to apply for benefits. Producers may apply for benefits for losses to 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 (NAP) for the year of loss will be eligible for CDP benefits. Producers must have suffered quantity losses in excess of 35 percent to be eligible for CDP. Contact the FSA county office for more details.

MILCX Program Extended

The USDA Commodity Credit Corporation (CCC) announced recently the extension of the Milk Income Loss Contract (MILC) program payment rate calculation at 34-percent for the month of September 2007. CCC published a final rule in the Federal Register that announced the change.

On May 25, 2007, President Bush signed into law the "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007" (2007 Act). The 2007 Act extends the MILC payment period and 34-percent payment rate for one month. Under previous law, the MILC payment period and 34-percent rate expired at the end of August 2007, and the payment rate for September 2007 was zero percent.

The MILC program compensates dairy producers when domestic milk prices fall below a specified level. The 2002 Farm Bill authorized MILC through Sept. 30, 2005. The Agricultural Reconciliation Act of 2005 reauthorized the program through Sept. 30, 2007. Dairy producers are reminded the last day to bring in production evidence to the county office is Nov. 1, 2007.

September 30 Deadline for DCP Enrollment

Producers had **until August 3, 2007** to enroll in the 2007 Direct and Counter-Cyclical Program (DCP) without a late-file fee. A late-file fee will now be assessed \$100 for farms that are enrolled after August 3, 2007 and before September 30, 2007.

Maintaining Stored Grain Quality

Due to the recent high temperatures producers are reminded to keep an eye on the condition and quality of the stored grain. Remember to contact your local FSA office if you notice changes in the condition and quality of the stored grain.

Emergency Haying or Grazing

Last month, USDA approved the Farm Service Agency (FSA) CRP participants and eligible livestock producers in Adams, Brown, Highland, Muskingum, Morgan, Pickaway and Ross counties, Ohio. Recently USDA added; **Athens, Perry, Pike, Scioto and Washington** counties, Ohio, for Emergency Haying and Grazing of approved CRP acres as a result of this year's drought conditions.



All counties in Ohio are in the area of eligibility for Emergency Haying and Grazing of CRP acres by eligible livestock producers. Eligible livestock producers **only within the approved counties** may purchase hay or conduct Emergency Haying and Grazing of eligible CRP acreage from an eligible CRP participant located in the expanded area. The participant must be willing to provide hay or haying and grazing under Emergency Haying and Grazing provisions and will be assessed a 10 percent reduction in their annual rental payment. CRP participants cannot rent or lease the haying and grazing privilege for an amount greater than the applicable payment reduction.

This allows any CRP participant who has CRP acreage in that expanded area to permit producers from the twelve approved counties to come in and hay or graze their acreage. Livestock producers or landowners interested in opening up their CRP acres for Emergency Haying and Grazing should contact their local Farm Service Agency office.

To allow Emergency Haying and Grazing, a county must receive national approval by verifying the county has suffered at least a 40 percent loss of normal moisture and forage for the preceding four-month qualifying period. Also, CRP participants must have prior approval by their county office before conducting any Emergency Haying and Grazing of CRP acres.

CRP is a voluntary program that offers annual rental payments and cost-share assistance to establish long-term resource-conserving cover on eligible land. USDA offers a number of programs to assist producers affected by drought or other natural disasters.

Interested CRP participants and eligible livestock producers should contact the local FSA office for more information regarding Emergency Haying and Grazing and sign-up for approval before you begin any haying and grazing.

Farm Storage Facility Loans

Low interest rate loans for storage facilities are available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, 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. For details, contact the county office staff.

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. 28**, so that a final determination can be made on who is program eligible on the property.

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, and
- 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.

A revised CCC-509, Direct and Counter-cyclical Program Contract, with all succession changes must be complete with all signatures **by Sept. 28** for payments to be distributed.

Note: Changes that require a reconstitution should have been reported to the county committee by Aug. 1 of the fiscal year in which the change occurred.





NAP Coverage

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. Statute limits NAP to each commercial crop or agricultural commodity, except livestock, for which CAT is not available.

The application deadline date for the 2008 NAP coverage for winter wheat, rye, barley and speltz in Ohio is **Oct 1, 2007**.

Producers who already have coverage on 2007 NAP crops may choose to continue coverage on the same crop or crops for 2008, if the applicable service fee is submitted by the application closing date. A new CCC-471, application for coverage is not required to be signed when applying for continuous coverage of the same crop or crops.

Producers who choose to add a new crop(s) or delete a crop(s) from previous year's coverage or changing crop shares must file a new CCC-471 with signatures and pay the applicable service fee.

Producers with 2007 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.

For more information on NAP coverage please contact your nearest Farm Service Agency office.



Banking Changes?

If you have changed banks and not notified FSA, your payment could be delayed. Payments are electronically transferred into your bank account, if we are not aware of changes to your account and routing numbers, there could be problems. In order to make timely payments, you need to notify the office if you close your account or if another financial institution purchases your bank. It is important that any changes in producer's account such as type account, bank mergers, routing number or account numbers, be provided to the county office promptly to avoid possible payment delay.

Final DCP Payments For 2007

Enrolled producers can expect their final direct payment to be directly deposited into personal bank accounts sometime during the first few weeks of October.

Producers who did not elect to receive an advance direct payment will receive their entire direct payment for the year in one lump sum after September 28, 2007.

The direct payment for a crop equals 85 percent of the farm's base acreage *times* (x) the farm's direct payment yield *times* (x) the direct payment rate.

If there are any unearned advance counter-cyclical payments, Commodity Credit Corporation will automatically subtract those amounts from the final Direct and Counter-cyclical Program payments the producer(s) will receive.

Selected Interest Rates for September 2007	
90-Day Treasury Bill	4.875%
Farm Operating Loans — Direct	5.500%
Farm Ownership Loans — Direct	5.750%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	4.000%
Emergency Loans	3.750%
Farm Storage Facility Loans	4.625%
Sugar Storage Facility Loans	5.000%
Commodity Loans 1996-Present	5.750%

Removing CCC Loan Collateral

Producers are reminded, if you have grain under Commodity Credit Corporation loan it cannot be removed or disposed of without prior county office staff authorization or repayment. The county office staff may issue release authorizations based on a telephone or in person request when you are ready to move the grain. A loan violation is subject to monetary and administrative penalties, such as repaying the loan at principal plus interest, liquidated damages, calling the loan and denial of future farm-stored loans and loan deficiency payments.

All commodity loans are subject to spot check. Locking in a market loan repayment rate is not a marketing authorization. If you are planning to move CCC loan grain, call the county office staff, before you HAUL!

Youth Loan Projects

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 youth organizations. 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;
- Live in the open country or in a town of less than 10,000 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; and
- 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.

Stop by the county office. We'll help prepare and process the application forms and answer any questions you may have about the program. Remember, FSA is an equal opportunity lender.

Dates to Remember	
Sept. 4	Labor Day Holiday. FSA offices closed.
Sept. 28	Last day for late file sign-up for the 2007 DCP program. \$100 late fee.
Oct. 1	Last day to apply for 2008 NAP coverage on winter wheat, rye barley and speltz.
Oct. 8	Columbus Day Holiday. FSA offices closed.
Nov. 2	County committee election ballots mailed.
Nov. 12	Veteran's Day Holiday. FSA offices closed.
Nov. 22	Thanksgiving Holiday. FSA offices closed.
Dec. 3	Last day to return voted ballots in county committee election.

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