



USDA United States
Department of
Agriculture

District 6 FSA News

MAY 2009

Butler – Cowley – Harper – Harvey – Kingman – McPherson
– Marion – Reno – Rice – Sedgwick – Sumner Counties

ACREAGE REPORTS

To collect program benefits including loan deficiency payments, crop loans, crop insurance, non-insured assistance program benefits, SURE program and crop history, it is a requirement to report crop acres and pastures in some cases.

The Direct and Counter Cyclical Program (DCP) requires all cropland on the farm to be certified before program benefits can be earned. Each farm must have all cropland acres reported, including old soil bank acres, waterways, feeding lots, feed crops and fallow.

The final date to certify wheat, oats and barley is June 1. Grass, corn, milo, soybeans, sunflowers, alfalfa, feed crops and fallow acres have to be certified by August 1. Crops in the Non-Insured Assistance Program (NAP) **must** be reported 15 days before any haying or grazing.

If you have not reported your wheat acres, please contact your county office NOW for an appointment. With our tight budget and increased workload, **we most likely will not send out reminders for wheat, or appointments for feed grains.** Therefore, it will be the operator's responsibility to call their local office to schedule an appointment and timely file crop acreage certifications. Acreage reports after the applicable deadlines could result in late-acreage reporting fees.

NEW ACRE PROGRAM ANNOUNCED

A new, optional program in the 2008 Farm Bill is the Average Crop Revenue Election (ACRE) program. This program is a **Revenue** counter-cyclical program that is designed to provide support to producers when crop revenue falls below the established revenue guarantee. Established as a program to replace the **price** counter-cyclical program, which only provides support when prices fall, ACRE is a new concept for commodity programs that offers the opportunity to provide support when yields are reduced as well.

Sign-up for ACRE for 2009 began April 27th, and will be offered each year through 2012. However, farms enrolled in ACRE must stay in the program for the remainder of the farm bill. In addition, all producers on a farm must agree to the ACRE Program election, and all crops on the farm must be enrolled, even though payments will be based on individual crops.

Only farms with covered commodity or base acres may participate in the ACRE Program. Farms that are already enrolled in the Direct and Counter-Cyclical Payment Program (DCP) for a crop year, may elect to switch to ACRE before the end of sign-up.

Producers on participating ACRE Program farms can receive direct *and* ACRE payments. However, farms enrolled in ACRE will have their DCP payments reduced by 20% and marketing loan rates by 30%. ACRE payments will only be paid when State Revenue and your Farm Revenue are less than the guarantee for that year and crop.

Numerous factors come into play in the ACRE enrollment decision-making process. Because producers must remain enrolled in ACRE once they sign-up, you will need to estimate what crop prices and yields will do over the next four years to make an enrollment decision. **Watch local FSA and Extension office announcements of upcoming ACRE meetings as well as newsletters and other publications.**

DCP/ACRE SIGNUP EXTENDED

The 2009 signup for DCP and ACRE has been extended to **August 14, 2009**. Since enrollment is not permitted after August 14, 2009, the CCC-509 for either DCP or ACRE must be signed by ALL producers sharing in base acres and submitted to the office by this deadline. Also, individual payments cannot be issued until all completed Payment Eligibility forms and supporting paperwork has been submitted to the office.

DISASTER ASSISTANCE PROGRAMS

The 2008 Farm Bill included the following permanent Disaster Programs:

- Emergency Assistance for Livestock, Honey bees, & Farm-Raised Fish (ELAP)
- Livestock Forage Disaster Program (LFP)
- Livestock Indemnity Program (LIP)
- Supplemental Revenue Assistance Payments (SURE)
- Tree Assistance Program (TAP)

SURE covers crop revenue losses, TAP covers tree losses, ELAP covers losses not adequately covered by any other disaster program, LFP covers forage grazing loss, and LIP covers livestock death loss.

We are encouraging producers who suffered livestock death losses on or after January 1, 2008, to begin compiling verifiable documentation of eligible livestock deaths.

Producers will need to provide documentation detailing the proof of death to indicate that the livestock deaths are a direct result of an eligible adverse weather event. It will also be necessary for producers to provide documents detailing the quantity and kind of livestock that died as a result of the adverse weather event. Documentation may include, but is not limited to the following: bank or other loan documents, FEMA records, tax records, National Guard records, private insurance documents, production records, property tax records, purchase records, rendering truck receipts, veterinarian records, and written contracts.

FSA is not currently taking LIP applications or making LIP payments but is simply informing producers of the documents that will need to be presented to FSA to prove death losses for LIP purposes.

FARM STORED FACILITY LOANS

Seven-year fixed interest loans are available through the FSFL program for the purchase and installation of eligible commodity storage structures, handling equipment, drying equipment, and safety equipment (new or remodeled). The loan principal can be up to 85% of the net cost, not to exceed \$100,000 for each "person" borrower. Real estate liens are required for amounts that exceed \$50,000. Crop insurance, for the term of the loan, is required on crops of "economic significance".

Producers must pay a loan service fee and "qualify" for this program BEFORE any site preparation begins or equipment is delivered. The producer must allow an environmental assessment survey, demonstrate a need for storage, and show adequate repayment ability. Contact the FSA office for more information.



SIGNATURE REQUIREMENTS

All FSA documents must be properly signed or payments will be considered improper and not earned. Make sure it is clear who you are signing for and you have signature authority on file if signing for an entity or another individual. When signing for an entity or as power-of-attorney, make sure the word "by" is immediately before your signature. Some FSA forms now have the word "by" printed in the signature area.

POWER OF ATTORNEY

For those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., FSA has a power of attorney form available that enables you to designate another person to conduct your business at the office. If you are interested, please contact your Farm Service Agency office near you for more information. If you want a crop loan, a power of attorney form will need to be completed for husband and wife, if both do not come into the office to sign the forms on the day the loan is disbursed.

Avoiding Your Own Economic Crisis

Debt management for any business is crucial, especially in times of economic uncertainty. Many farm and ranch operations may not be fully aware of the extent of their financial struggles until they run out of operating credit or their line of credit is frozen, leading to delays in planting, feed purchases, rent payments or other critical management functions.

Managing your credit is as important as managing any other aspect of your farm or ranch. Maintain open lines of communication with your lender and understand the terms and conditions of your loans. Recognize problems early, work with the bank to resolve concerns as they bring them to your attention, and if your credit need can not be met by your bank, consider utilizing FSA Farm Loan Programs. FSA has low interest fixed rate loans with interest ranging from 1.5% to 4.25% interest as well as loan guarantees which may allow you to continue with your current lender during difficult times. If you are experiencing financial difficulties or considering a real estate, machinery or livestock purchase, contact your nearest FSA Farm Loan office for more details on FSA loans.

Gary Nuss, Farm Loan Manager
 Winfield FSA/Farm Loan Programs (620)221-2060

Limual Vinson, Farm Loan Manager
 Wellington FSA/Farm Loan Programs (620) 326-2269

Ray Bartholomew, Farm Loan Manager
 South Hutchinson FSA/Farm Loan Programs (620) 669-8161

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CLEARING LAND OR ALTERING WETLANDS

If you are planning on any land clearing, drainage, filling, existing ditch clean out, leveling or dredging, remember that you need to come into the FSA office and fill out form AD-1026 **BEFORE** you do the work. Then NRCS will determine if the action you want to carry out can be done without jeopardizing eligibility for our programs and other USDA programs. Also, if you have highly erodible fields on any of the land you own or operate, you must be actively applying an approved conservation plan or maintaining a fully applied conservation system in order to remain eligible for our programs.

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 important to keep the county office 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 uninterrupted service.

DATES TO REMEMBER

APRIL 15 – JULY 15 Kansas Primary Nesting Season
MAY 4 – MAY 29 Soybean Referendum Request
MAY 18 2008 Disaster Buy-In Fee Deadline
MAY 25 Memorial Day – Office Closed
MAY 31 Final Date to request a loan or LDP for Corn, Sorghum, Cotton, Soybeans or Minor Oilseeds
JUNE 1 Deadline to report small grain acres
JUNE 15 – AUGUST 3 Committee Election Nominations
JULY 3 Independence Day - Office Closed
AUGUST 1 Deadline to report corn, milo, soybeans, CRP & double-crop acres
AUGUST 14 2009 DCP/ACRE Signup Deadline

Foreign investors who buy, sell, or hold a direct interest in U.S. agricultural land must report their holdings to the FSA office in the county where the land is located. Those buying or selling must report the transaction within 90 days of the date of the transaction.