

# Farm Service Agency News



June/July 2006

## Report 2006 Crop Acreage Before July 17th

Don forget! Crop acreage needs to be reported to your local FSA office by July 17.

Acreage reports are required for program eligibility and mandatory for producers who participate in FSA programs such as the Direct and Counter-Cyclical Program (DCP), 10–15 year Conservation Reserve Program (CRP), Commodity Loans, Loan Deficiency Payments

(LDPs) and the Non-insured Assistance Program (NAP).

You must also report any prevented or failed acreage as soon as possible to your local FSA office to ensure compliance with current farm programs, and possible eligibility for future programs.

After the July 17 reporting deadline, you will be charged

a late filing fee of \$25 per farm and \$10 per field. For example, if you have one farm with ten fields, you will be charged \$125 to late file a crop report. Acreage reports may be revised at any time without a late filing charge as long as the crop can be verified in the field.

## Non-insured Assistance Program Requirements

**Reporting of the 2006 Crop Acreage:** If you have 2006 coverage under the Noninsured Assistance Program, you are required to report 2006 NAP crop acreage by July 17. This deadline applies to most spring seeded crops, forages, small grains, winter wheat, and some perennial crops. Acreage can be reported once it has been planted. Failure to report acreage according to these guidelines will result in late filing fees and potential loss of NAP benefits.

**Reporting of the 2005 Crop Production:** NAP producers must certify 2005 crop production at the same time, or prior to, reporting your 2006 crop acreage. The final date to report 2005 production of NAP

crops is also July 17. If you fail to report 2005 production by the final reporting date, zero yields or yields reduced by established factors will be used in establishing the crops actual production history for 2006. This normally results in lower approved yields.

**Reporting Crop Production:** NAP producers are required to keep records of annual crop production for a minimum of three years. These records will be used to determine future crop yields. Acceptable records can include; sales documents, weight tickets, picker records, ledger sheets of production and income. All records must be summarized by crop and crop type before the production evidence is submitted to FSA. Failure to

maintain records could result in ineligibility, loss of benefits and reductions in the crops approved yield.

**Reporting Crop Losses:** You must report NAP crop losses within 15 days of the date damage occurred or 15 days from the date damage is apparent to insure your continued eligibility for benefits. Losses to crops need to be reported after each occurrence of damage. If damage is such that the crop will not be carried to harvest and needs to be destroyed, you must file a notice of loss prior to destroying the crop or putting the crop to other uses. For crops prevented from being planted, a notice of loss must be filed within 15 days of the final planting date for the crop.

### [Name] County USDA Service Center

Xxx xxx xxxxxx  
XXXXXXXX, xx xxxxx  
xxx-xxx-xxxx (phone)  
xxx-xxx-xxxx (fax)

Hours  
Monday - Friday  
7:30 a.m. - 4:30 p.m.

County Committee  
Xxxx xxxxxx  
XXXXXX XXXXX  
XXXX XXXXX

Staff  
Xxx xxxxxxxxxxxxxx  
XXXXX XXXXX  
XXXXX XXXXXXXX  
Xxx xxxxxxxx

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## Sign 2006 DCP Contracts Before September 30th



Producers who missed the June 1, 2006 deadline still have until September 30, to enroll in the 2006 Direct and Counter-Cyclical Program. Applications will be considered late-filled and a \$100 late filing fee per farm will be assessed.

Contracts must be signed annually to receive benefits for the current year. Producers who decide not to participate in the 2006 DCP will retain eligibility for the 2007 DCP.

## CRP Primary Nesting Season

CRP participants are never allowed to mow an entire field or large amounts of acreage on an annual basis. Full field mowing for generic weed control is always prohibited. Each year, you need to survey your CRP to determine if you need to take some action. Spot

mowing or spot spraying to control invading woody plants or weed patches before May 15 or after July 15 is a requirement to comply with your contract. If you look at your acres and determine you have a major weed problem that threatens to take over the

cover that is supposed to be on your contract, and you determine action needs to be taken between May 15 and July 15, you **must** contact the FSA office before doing anything. Disturbing your cover during the primary nesting season greatly reduces the habitat benefit obtained from CRP.

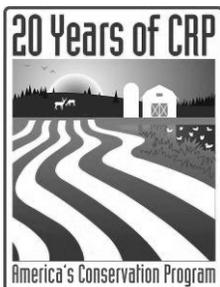
## CRP Haying and Grazing Requirements

Under the current farm bill, Conservation Reserve Program (CRP) acreage can be hayed or grazed under certain, very restrictive, circumstances. If you are a participant in the CRP you must have written approval from FSA before haying or grazing. It is the responsibility of the participant to submit a request for managed haying and grazing. Without exception, the request **must** come from the CRP par-

icipant. Failure to obtain appropriate authorization to hay or graze CRP acreage can result in severe payment reductions or contract termination.

Haying can begin no earlier than July 16 and must be completed by September 15. Haying is limited to one cutting per year. Grazing plans will specify the stocking rate for the acreage to be grazed and require that the

cover not be grazed down to below 3 inches for cool season stands and 6 inches for warm season stands. Grazing also cannot begin before July 16 and livestock must be removed from grazed acreage no later than September 30. (Note: depending on the stocking rate, livestock may have to be removed prior to September 30 to assure the acreage is not grazed below the minimum height.)



### 2008-2010 CRP Contracts

If you have a Conservation Reserve Program contract that expires in 2008, 2009 or 2010, you should have received a letter from the county office explaining

your options to re-enroll or extend your contract. To take advantage of the offer, you must respond by the close of business on June 30, otherwise your contract will expire on its stated date.

If you have any questions, contact your county office staff for detailed information.

## FSA Assists RMA To Improve Integrity

FSA is now required to assist the Risk Management Agency (RMA) to improve the integrity of the Federal Crop Insurance Program through the prevention of fraud, waste and abuse. FSA is required to monitor the crop insurance program, report problems to RMA and assist RMA and insurance providers when auditing certain claims. FSA offices are responsible for the oversight plan which includes close monitoring and oversight of the crop insurance program locally and growing season inspections on a selected number of insured producers. FSA also assists RMA by gathering facts and reporting observations as they pertain to weather, crop plantings, maintenance and harvest. Producers who become aware of potential crop insurance abuse should report the information to the local FSA office.

## ***Loan Deficiency Payment Process Now Friendlier***



To request 2006 crop LDPs, you must use the new CCC-633 EZ, Loan Deficiency Payment Agreement and Request. Page one has been inserted for your convenience.

Page one of the CCC-633 EZ indicates the producer's intention to receive LDP benefits. It must be completed every crop year prior to the beginning of harvest for all eligible crops including wool and unshorn pelt applications.

LDPs are obtained by producers eligible to obtain a marketing assistance loan, but agree to forgo the loan in return for a payment on the eligible commodity. The LDP payment amount is determined by comparing the posted county price (PCP) for a commodity to the county loan rate for that commodity. If the PCP is less than the loan rate, the producer may file for a payment of the difference between the two prices on the date of application, or the date beneficial interest was lost in the commodity as long as page one of the CCC-633 EZ form is on file at your FSA office. Beneficial interest in the commodity is retained as long as control of the commodity, risk of loss, and title to the commodity is maintained.

Producers are reminded that 2006 commodity crops are eligible to be placed under loan after harvest. For more information contact your county office.

## ***Consider The FSFL Program When Developing 2006 Marketing Plans***

Producers of farm commodities are encouraged to consider FSA's Farm Storage Facility Loan Program when looking at marketing alternatives. The FSFL program offers producers an opportunity to meet storage needs by offering marketing flexibility. On-farm storage gives you the control you need to segregate crops and to decide when to sell them.

This program provides seven-year fixed rate financing for on-farm storage of wheat, soybeans, sunflower seed, canola, safflower, flaxseed, mustard seed, corn, grain sorghum, oats, and barley. Facility loans are available for corn silage storage, but are not available for hay storage, including haulage. The interest rate, currently at 5% for June 2006, changes monthly. The interest rate in effect at the time a loan is approved remains in effect for the term of the loan. Security requirements depend upon the loan amount and other factors. Loans are limited to 85% of the net cost of the improvements.

Eligible structures include but are not limited to new cribs and bins, new oxygen limiting and other upright silos, new flat storage structures with a permanent floor, storage and handling equipment, bunker type and open silo structures with at least 2 concrete walls, handling and drying equipment, and concrete pads subject to limitations. Ineligible structures include portable equipment, and other structures that do not have a useful life of at least 10 years.

## ***Loans For Youth Projects Available***

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.

### ***Eligibility Requirements***

- Be a citizen of the United States 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
- Must be capable 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.

**U.S. Department of Agriculture**  
**Your County FSA Office**  
**Address**  
**City, Wisconsin Zip**

**PRESORTED STANDARD**  
**U. S. POSTAGE PAID**  
**CITY, STATE**  
**Permit No. xxx**

### ***NAP Fall Crop Application Deadlines***

The application closing date to sign up for 2007 Non-Insured Assistance Program coverage for “value loss” crops such as ginseng, turf grass sod, Christmas trees, aquaculture and ornamental nursery is September 1, 2006. Perennial crop deadlines on fruit and other crops such as apples, pears, blueberries, raspberries, strawberries, grapes, cherries, wild rice honey, maple sap, asparagus and other perennial fruits is November 20, 2006. Please be reminded that NAP coverage is only available for crops where coverage is not available under the Federal Crop Insurance Program (FCIC). These deadlines also apply to persons who already have a policy and want to renew their coverage for 2007.

### ***MILCX Sign-Up Continues***

Sign up for the extended Milk Income Loss Contract program will continue throughout the duration of the program. However, the option to select a retroactive payment start month ended May 17, the initial sign-up deadline.

The extended program will run until August 30, 2007. Payments will be made on an operation-by-operation basis, up to a maximum of 2.4 million pounds of milk produced and marketed by the dairy operation per fiscal year.

**VOTE VOTE VOTE VOTE VOTE**

### ***2006 Statewide Open House***

FSA County Offices throughout the state will host an “open house” on July 20, 2006, from 1:00 pm to 2:00 pm.

Please plan to visit your local FSA office to find out how your local county committee works for you.

### **Mark Your Calendar**

June 30	Deadline to pay compliance check fee to extend or re-enroll 2008-2010 CRP contracts
July 4	FSA offices will be closed for Independence Day
July 15	Primary nesting season ends
July 17	2006 NAP and crop reporting deadlines
August 1	COC election nominations due in county offices
September 1	NAP application deadline for fall crops
September 30	Final signup deadline for 2006 DCP

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