



JANUARY/FEBRUARY 2007

## Kittitas County FSA News Today

### Kittitas County FSA

607 Mt. View Avenue  
Ellensburg, WA 98926  
Office Phone: (509) 925-8585  
Office Fax: (509) 925-8591

### Office Hours

Monday – Friday  
8:00 AM – 4:30 PM

### Kittitas County Committee

Bart Bland, Chair  
Rick Haberman, V-Chair  
Brent Dekoning, Member  
Barb Weber, Advisor

### Office Staff

Brent Reitmeier, CED  
Betty Cervine, PT

### Farm Loan Staff

**(509) 454-5746**  
Lisa Ruff, FLM  
Scott Smith, FLO  
Crispin Garza,  
Service Center Liaison  
Sandy Christensen, FLP Tech.



### Next COC Meeting

February 14, 2007  
9:00 AM

### Important Dates

February 19, 2007  
**OFFICE CLOSED**  
Observance of  
President's Day

### WA State FSA Website

<http://www.fsa.usda.gov/wa>

### National FSA Website

<http://www.fsa.usda.gov>

### National USDA Website

<http://www.usda.gov>



### ➤ COUNTY COMMITTEE ELECTIONS

We would like to express our appreciation for those who took the time and effort to vote in this year's County Committee election. We are especially thankful to the candidates who showed dedication to the FSA Committee System by agreeing to run for the Committee position in Local Administrative Area 2 also known as the Denmark area. Ballots were counted on December 7<sup>th</sup>, 2006 and the following were elected:

- ❖ Brent Dekoning, County Committee Member
- ❖ Tom Bull, Alternate Committee Member

Elected county committee members have an outstanding opportunity to serve both farmers and the public. The programs they help administer directly affect the welfare of our farmers.

We are proud of the county committee's record of service to farmers, and of this system of farmer-elected leaders. We look forward to welcoming the newly elected members as part of our FSA team.

### ➤ FSA'S AG LENDING PROGRAM

Each year Congress allocates dollars to the Farm Service Agency (FSA) to operate an Agricultural Lending Program. We presently have priority funding set aside to assist beginning farmers with their farming operations. Also, a portion of the funds is specifically allocated for minorities and women. While FSA farm loans are available to all qualified applicants, by setting aside funds specifically for minorities and women, it ensures that they will receive a portion of available funds.

FSA has direct lending authority in which FSA makes a real estate or operating loan directly to farmers and ranchers. FSA also puts a federal guarantee on loans made by banks and other agricultural lending institutions. Funding availability relies on Congressional authorizations. Contact the Yakima County Farm Service Agency office at 509-454-5746 if you have questions about availability of loan funds or other questions about FSA's loan programs.

### ➤ FARM STORAGE FACILITY LOAN PROGRAM

The Farm Storage Facility Loan Program (FSFL) is a program where Commodity Credit Corporation provides low cost financing for producers to build or upgrade farm storage and handling facilities for eligible commodities. Eligible applicants may qualify for the 7-year loan program and may borrow up to \$100,000 per "person." A down payment of 15% is required and a non-refundable application fee of \$45 must be paid at the time of application. Loans may be made for purchasing and installing eligible storage facilities, permanently affixed drying or handling equipment, or remodeling existing facilities. The need for more storage capacity for your farming operation must be documented. Please contact the County Office for further information. The January FSFL interest rate is 4.5%

### ➤ 2006 EARNING STATEMENT

Form CCC-1099G, Report of Producers payments, should be mailed out around January 31, 2007 to all FSA participants who received payment in 2006. These reports are mailed from FSA's Kansas City office; please watch your mail for your report. If you do not receive it, or it does not match your records, contact our office immediately so that corrective action can be taken. It is important that the 1099G's be accurate since the data is reported to the Internal Revenue Service.

### ➡ **AGRICULTURAL FOREIGN INVESTMENT DISCLOSURE ACT**

Foreigners who have bought or sold agricultural land in the United States are reminded to report the transaction to the local FSA office within 90 days. To avoid Federal penalties and monetary fines, foreign owners of the U.S. agricultural land must report their holdings, acquisitions, dispositions, leases of 10 or more years and land use changes to FSA within 90 days. Failure to file the AFIDA report could result in a civil penalty of up to 25% of the fair market value of the interest held in the agricultural land.

### ➡ **PAYMENT LIMITATION(S)**

Program participants are reminded of the requirements to timely and accurately file payment limitation forms. A new form is required to be done if there has been a change in the farming operation. Entities are required to provide names, addresses, and ID numbers of members. The members of entities are required to designate which permitted entities are to receive USDA benefits. Spouses may be considered separate “persons” for payment limitation purposes if applicable requirements are met. The payment limitation status date for 2007 is April 1, 2007. Payment limitations per “person” per program year are \$40,000 for DCP Direct payments and \$65,000 for DCP Counter-Cyclical payments; \$75,000 for LDP and market gain payments; \$50,000 for CRP payments; \$100,000 for the Noninsured Assistance Program (NAP); and \$80,000 for the Crop Disaster Program (CDP). Also, producers are ineligible for certain FSA program payments and benefits if their Adjusted Gross Income (AGI) on an average of the 3 previous year’s tax returns is in excess of \$2.5 million, unless 75% of the AGI is from farming, ranching, and/or forestry.

### ➡ **ASSIGNMENTS & JOINT PAYMENTS**

Changes to your farming operation that impact the name and ID number under which you are paid may require you to update assignment (CCC-36) or joint payment (CCC-37) authorizations you may have with a financial institution. It is a producer’s obligation to inform their financial institution of any changes and to ensure a new assignment or joint payment authorization is completed.

### ➡ **SPOUSAL SIGNATURES**

A husband and wife may sign on behalf of each other on most program documents unless denial has been provided to the County FSA office. Husbands and wives may not sign for each other on some Farm Loan Program documents.

### ➡ **NEW FSA STATE DIRECTOR**

USDA recently announced the appointment of Jack Silzel as the State Executive Director for the Farm Service Agency in Washington State. Jack replaces Jim Fitzgerald who left the position for a new appointment in Washington D.C. with the Rural Development Agency. Prior to his appointment, Jack served more than 10 years in Washington D.C. as the Agriculture Policy Director for former Congressman George Nethercutt and Legislative Director for Congresswoman Cathy McMorris. Prior to his time in Washington D.C., Jack was actively involved in his family’s farm near Oksdale, Washington. We welcome Jack to the FSA team in Washington State.