



July 2007



Klamath County News

Klamath County USDA Service Center

Klamath County FSA
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<http://www.fsa.usda.gov/or>

Hours

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

County Committee

Lester Sturm, Chair
Ron Stewart, Vice
Garry Freitag, Member
Gerda Hyde, Advisor

County Executive

Director Jennifer Simon,
ext 107

Farm Loan Officer

Dorothy Scull ext. 104

Farm Loan Manager

Jim Jutson

Staff

Rowena Chase PT ext 108
Joe Hess, PT ext. 102
Mary Hope, PT ext. 105
Dawn Rose, PT ext. 109



2007 DCP Sign-up Continues

The 2007 Direct and Counter-Cyclical Payment Program (DCP) began October 1, 2006, and continues until August 3, 2007. Farmers are encouraged to sign up for the DCP program online. The online service is an example of the technological innovation USDA is using to make its programs more accessible.

Following the August 3, 2007, deadline, USDA will accept late applications through Sept. 30, 2007, with a **\$100 late fee**. While DCP participants must sign DCP contracts annually, producers can choose not to participate in the program in any given year.

USDA computes DCP payments using base acres and payment yields established for each farm. Producers receive direct payments at rates established by statute regardless of market prices. For 2007, eligible producers may request to receive direct advance payments based on **22 percent** of the direct payment rate for each commodity associated with the farm. USDA will issue DCP advance direct payments beginning Dec. 1, 2007. Counter-cyclical payment rates vary depending on market prices. Counter-cyclical payments are issued only when the effective price (which takes into account the direct payment rate, market price and loan rate) for a commodity is below its target price.

2007 Acreage Reporting

The 2007 acreage reporting deadline is **August 15, 2007** in Klamath County. Many FSA programs require a timely filed acreage report to remain in compliance. Also, failing to file acreage reports with the county office may affect eligibility for future programs.

Acreage reporting cannot be completed until your crops are planted. When you are finished

planting your 2007 crops, contact the office to make arrangements for reporting your acreage.

Your Klamath FSA would like to remind you that acreage reporting deadlines vary by county so you should check with any other county offices to be sure of their acreage reporting deadlines.

Lease Agreements

Recently there has been increased interest in flexible or combination leases. These rental provisions are developed to protect landlords and tenants, and to make sure payment limitation rules apply.

The key factor is whether the landlord shares in the production risk of the crop. Cash leases have a guaranteed amount, certain cash payment or a fixed quantity of a crop. Leases which are based on a share of the crop or proceeds are considered share leases and must be reported as such by the producer when signing up for DCP payments.

If the lease bases the rent on the amount of crop produced or the income derived from that crop (whether or not the crop is actually grown), or any combination of the two, it is a share lease and the landlord must receive a share of the DCP contract payment. This is because the landlord now shares the risk in the crop. The more bushels produced or the higher price received for that crop creates a higher rent.

Signup for 2007 DCP continues at all county FSA offices and will be available through August 3, 2007. For more information on flexible and combination leases contact the FSA office.

NAP

USDA's Farm Service Agency's (FSA) Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occurs due to natural disasters.



An eligible producer is a landowner, tenant, or sharecropper who shares in the risk of producing an eligible crop. The annual gross revenue of the eligible producer, and any individual or entity combined as one "person" with the eligible producer, cannot exceed \$2 million.

There is a \$100 fee for NAP coverage per crop with a limit of \$300 per county and \$900 per producer. The signup deadlines are as follows

Cabbage, carrots, canola, beets, and radishes: August 31, 2007.

2007 COC Election Information

One of FSA's responsibilities is to hold County Committee elections in an open manner that ensures accountability. County FSA Offices will provide local organizations representing socially disadvantaged groups with detailed information about the COC election process. FSA is reaching out to agricultural communities to get equitable representation on their county committees.



Groups representing socially disadvantaged farmers and ranchers, will be actively solicited for COC election candidates, and encouraged to fill out a nomination form (FSA-669A). Under represented farmers and ranchers are encouraged to step up and participate in their county's COC election process. Producers will notice posters and announcements displayed in businesses, churches, and other public places. COC election fact sheets can be found online at <http://www.fsa.usda.gov/FSA> under the News & Events tab on the FSA homepage

CREP

Farmers and landowners in the Klamath Basin are encouraged to take advantage of the Conservation Reserve Enhancement Program (CREP). CREP will reimburse farmers for enrolling cropland or pastureland adjacent to streams, ponds and rivers from agricultural production. Program participants will receive

annual rental payments, cost-share assistance, and other financial incentives for a period of 10-15 years for installing and maintaining buffer strips, riparian areas, grassed waterways and shallow water areas.

Continuous CRP

The Continuous Conservation Reserve Program is a private lands environmental improvement program that allows participants the opportunity to enroll environmentally sensitive acreages in conservation practices that will reduce soil erosion, improve water and soil quality and provide wildlife habitat and food sources.

The Continuous CRP program is a voluntary enrollment program. Eligible landowners enter into contracts that range from 10 to 15 years in length. In return, the landowners will receive annual rental and maintenance payments, incentive payments for certain activities, and cost share for establishment.

To be eligible for enrollment in the Continuous CRP, participants and acreage must meet certain requirements. Provided the eligibility requirements are met, FSA will automatically accept enrollments of acreage into Continuous CRP. Landowners may enroll in the program at any time during the year.

For more information on Continuous CRP enrollments or local Conservation Reserve Enhancement Program (CREP) availability, please contact your local FSA office.

Maintaining CRP Cover

CRP cover maintenance is the participant's responsibility and must be done according to the conservation plan. All CRP maintenance activity, such as mowing, burning and spraying, must be conducted outside the primary nesting season for wildlife and in accordance with the conservation plan.

Spot treatment of the acreage may be allowed during the primary nesting season if certain criteria are met. The ending date for the primary nesting season in Oregon is July 15.

GIS

The Farm Service Agency uses a Geographic Information System (GIS), a computer-based tool for capturing, storing, mapping and analyzing geographic farm data. FSA uses GIS to replace the old manual system of hard copy maps and aerial photographs. This digital technology is faster and more accurate than the old way, and saves taxpayers money over the long term.



Here's how GIS works. Up-to-date aerial photographs of the entire county are scanned so they can be stored in the computer. The photos become the base layer of the GIS. Technicians examine the photos and identify individual farms. They then outline each farm field, creating another layer of data called the Common Land Unit (CLU).

The software stores the shape of the field as a "polygon," and ties it to a specific location using latitude and longitude. The software can then automatically calculate the size of each field. The CLU layer will be connected to a database that contains information about the cropping history for each particular field.

GIS gives us the tools to provide quicker, more accurate information to producers and reduce the amount of time the producer must spend in the FSA office. As an added bonus, producers can review their farm's GIS files online from the comfort of their homes.

Farm Loan Programs

The Farm Service Agency offers loans for farmers and ranchers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, borrowers might have suffered setbacks from natural disasters or might be persons with limited resources.

Farm ownership loans or farm operating loans may be obtained up to \$200,000. Guaranteed loans can reach a maximum indebtedness of \$899,000.

Emergency loans are always direct loans for farmers who have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration.



Rural Youth Loans, Loans to Beginning Farmers and loans for socially disadvantaged applicants are also available through FSA.

For loan eligibility information, or more general information on our different loan programs, contact the county office staff for an appointment with a farm loan officer or visit our website: www.fsa.usda.gov.

Beginning Farmer & Rancher Land Contract Guarantee Pilot Program

Farmers in Oregon may be eligible to participate in a pilot program that may help you, or producers you know, acquire farm land.

The program provides the seller of land a 10-year "prompt payment" guarantee of the sale to the beginning farmer or rancher (buyer). If the buyer does not pay an annual installment due on the contract, or pays only part of an installment, FSA provides the scheduled payment or the unpaid portion to the seller through an escrow agent. The guarantee is limited to the total of two annual installments and also covers the amount of unpaid taxes and insurance for a period of two years.

You can find out more about this program by calling Dorothy Scull at 883-6924 ext 104.

Cliff Fox and Ryan Hartman Leaving NRCS

Cliff Fox recently retired. He has worked with the Klamath County NRCS since the fall of 2004. He will be spending his retirement traveling with his wife and enjoying life.

Ryan Hartman also recently left the Klamath County NRCS to go to work in Tulelake with the Tulelake NRCS. We wish both Ryan and Cliff good luck in all that they do.





Dates to Remember	
July 4	Independence Day office will be closed
August 3	Last day to enroll DCP contracts w/o \$100 late fee
August 15	Acreage Reporting deadline
August 31	NAP Deadline for Cabbage, Carrots, Canola, Beets & Radishes
September 3	Labor Day office will be closed
Continues	Continuous CRP
Continues	Farm Storage Facility Loans

Visit our Web site
<http://www.fsa.usda.gov/OR>

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