



Lincoln & Ellsworth County FSA News



JANUARY 2006

Lincoln County
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Office Hours

Monday – Friday
7:00 AM – 4:30 PM

Lincoln County FSA Committee

Stanley Suelter, Chairperson
Dale Hlad, Vice-Chairperson
Nick Biggs, Regular Member
Marylyn S Bell, Advisor
Committee meets 2nd Tuesday of month

Ellsworth County FSA Committee

Allan Grothusen, Chairperson
Stanton Janssen, Vice-Chairperson
Frank Toman, Regular Member
Kathryn Kohls, Advisor
Committee meets 1st Wednesday of month

2006 DCP Signup

Signup is well over half complete regarding the 2006 Direct and Counter-cyclical Payment (DCP) program. Producers are reminded that any ownership or operator changes, share changes, etc., that affect the 2006 DCP contract should be reported to the FSA immediately. Advance direct payments for 2006 can be issued immediately after contract approval. JUNE 1 is the deadline to receive all required signatures on DCP contracts. After June 1, 2006, a \$100 late filing fee must be paid per farm.

Conservation Compliance

Initially required by the 1985 farm law and continuing through the present, producers must be in conservation compliance to remain eligible for most federal farm programs. Under the “Sodbuster” rules, if farmers intend to break out new land for crops, they are required to obtain a Highly Erodible Land (HEL) determination before the land is planted. If HEL, the land must be farmed under an approved conservation plan. “Swampbuster” rules are intended to protect wetland areas, regardless if the areas are farmed or not. Producers are strongly encouraged to check with FSA or NRCS before modifying any potential wetland in any way.

CRP Issues

Volunteer trees on Conservation Reserve Program (CRP) acreage will be considered a compliance problem in 2006. Many of the tree problems can be resolved by a prescribed burn between March 14 and April 14, and some cost-share funds may be possible. For an effective and safe burn this spring, a prescribed burn plan should be developed IMMEDIATELY with the Natural Resources Conservation Service (NRCS). New for 2006, managed haying or grazing will not be allowed on CRP acreage that was burned in the same year. Also, CRP participants are reminded that burning CRP is prohibited from APRIL 15 through JULY 15 since it is the primary nesting period.

No announcement has been made yet regarding a “general” CRP signup for 2006. However, the “continuous” CRP signup remains available for practices such as waterways, filter strips (next to streams), habitat buffers (installed around field edges), windbreaks and other tree/shrub plantings. Additional signing incentives and cost-share payments apply to many of the continuous CRP practices, and special State funding is possible for filter strips in specific areas of Lincoln and Ellsworth Counties.

Details are being finalized for potential CRP re-enrollments and extensions of CRP contracts expiring September 2007 through 2010. Nationally, the vast majority of CRP contracts (about 400,000) and acreage (28 million) will expire during the 2007-2010 period. If the CRP acreage is currently in compliance, producers will be offered extensions or re-enrollments, based on an Environmental Benefits Index (EBI) score. The contracts with the highest EBI scores will be offered new 10-15 year contracts, with all others being offered 2-5 year extensions based on their scores. Producer notification is scheduled for this spring.

2006-Crop Wheat, Oats, and Barley Acreage Reports

MAY 31, 2006, is the deadline to timely file acreage reports for 2006-crop wheat, **oats**, and barley. Under current farm law, complete acreage reports are required for the Direct and Counter-cyclical Payment (DCP), and to obtain a commodity loan or Loan Deficiency Payment (LDP). FSA measurement services are available at a nominal cost if you are unsure of your acreage.

Counter-Cyclical Payments under DCP

Producers who requested advance counter-cyclical (CC) payments during the 2005 Direct and Counter-cyclical Program (DCP) signup period were issued advance payments for barley, corn, and grain sorghum (milo) crop bases in October 2005. Advance CC payments are made when a qualifying price deficiency is projected. Producers are reminded that the CC advance payments are NOT guaranteed and must be repaid if not earned. All producers sharing in the DCP payments will receive “final” CC payments if the final payments are earned.

Farm Storage Facility Loan (FSFL) Program

Seven-year fixed low-interest loans are available to help build or upgrade/ increase storage facilities for grains or other approved commodities. Under the FSFL program, loan principal will be 85% of the net costs of the storage facility, not to exceed \$100,000 for each borrower. Producers must “qualify” for this program in numerous ways such as submitting accounting records for credit history and repayment ability.

2005 Loans and LDP Deadlines

MARCH 31 is the final date to request commodity loans and Loan Deficiency Payments (LDP's) for 2005-crop wheat, oats, and barley. MAY 31 is the same deadline for 2005-crop grain sorghum (milo), corn, soybeans, and sunflowers.

2006-Crop Loans Rates

Recently, the following 2006 loan rates were announced for Ellsworth and Lincoln Counties:

	Ellsworth	Lincoln
Wheat (bu)	\$2.81	\$2.81
Oats (bu)	\$1.34	\$1.34
Barley (bu)	\$1.80	\$1.75
Sunflowers(cwt)	\$9.03	\$9.07

Disaster "Linkage" Requirements

The 2003/2004 Crop Disaster Program (CDP) officially ended on September 9, 2005, but the "linkage" requirement will affect certain producers for several more years.

Linkage is the requirement to purchase two subsequent years of crop insurance and/or coverage under the Noninsured Assistance Program (NAP), as a condition to receive CDP benefits. The linkage requirement is applicable to producers who collected 2003/ 2004 CDP assistance on UNINSURED and/or NON-INSURABLE crops. These producers agreed to the linkage requirement by signing form CCC-751. Failure to obtain the needed crop insurance or NAP coverage for two subsequent years will require a full repayment of the CDP benefits, plus interest from the date of disbursement.

Farm Reconstitutions

A farm, as defined by FSA, is generally made up of tracts of land that have the same owner and same operator. The sale of a specific tract within a farm would be an instance that FSA would likely require a farm reconstitution to divide the farm. Farm reconstitutions could also involve combining tracts to create new farms. In either case, the final date to request a farm reconstitution is JUNE 1. A special "Landowner Designation" method is available to allow farm program bases to be divided in a manner agreed to by all buyers and sellers. This method should be complete in advance of the land transaction and must be requested in writing including the signatures of all buyers and sellers. Contact the FSA office for more information.

Non-insured Assistance Program (NAP) Reminders

The last deadline to obtain 2006 NAP coverage is March 15, 2006, and includes numerous fruits, nuts, and vegetables. The cost is \$100 per crop, not to exceed \$300 per county or \$900 for multi-county interests. Producers with NAP coverage are reminded that good record keeping is required. Producers should discuss the requirements for acceptable production evidence with FSA personnel. Also, producers must report any cause of loss within 15 days from each disaster occurrence, and before harvest or disposition of the crop.

FSA County Committee Election Results

FSA Committee elections were held by mail ballot from November 4 through December 5, 2005. Each year, an election is held to elect a FSA County Committee member from about one-third of each county.

In Ellsworth County, Frank Toman was elected to serve a three-year term and Kathryn Kohls will serve as the alternate.

In Lincoln County, Nicholas Biggs was elected for a three-year term, and Eugene Friesen will serve as alternate.

We appreciate those who voted in the election and the above individuals who are willing to serve the farmers and ranchers in their areas. A special THANK YOU to E. Ron Zvolanek who served on the Ellsworth County Committee for nine years, and to Joe Coover who served on the Lincoln County Committee for 20 years.

Foreign Land Ownership

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires any foreign investor who buys, sells, or transfers agricultural land to report the transaction to FSA within 90 days.

Special Accommodations

Special accommodations will be made, upon request, for individuals with disabilities, vision impairment, or hearing impairment. If accommodations are required, call Bill Wineinger at 785-524-4855 (Lincoln) or 785-472-3161 (Ellsworth).

Non-Discrimination Statement

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