



August 2006

LINCOLN COUNTY FSA NEWS

Lincoln County FSA

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Office Hours

Monday – Friday
7:00 A.M. – 4:30 P.M.

County Committee

Allyn Hughes, Chair
Stan Dormaier, V-Chair
Judy Scrupps, Member

Office Staff

Jeff Lust, CED
Arlou Ives, Chief PT
Debbie Sweet, PT
Sally Simpson, PT
Jan Bowdish, PT
Paula Steinolfson, PT
Aaron Landreth, PT
Nancy Reinbold, Temp. PT
Deb Knight, Temp. PT

Web Sites

National USDA
<http://www.usda.gov>

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

Washington State FSA
<http://www.usda.gov/wa>

Dates to Remember

Aug. 31: NAP Coverage Deadline
for Fall-Planted Crops

Sept. 4: Labor Day– Office Closed

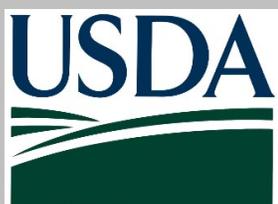
Sept. 30: Final Date for Enrollment
in 2006 DCP.

2006 Lincoln Co. Loan Rates

SWW Wheat:	\$2.90/Bu.
HRS and HWS Wheat:	\$3.15/Bu.
HRW and HWW Wheat:	\$3.18/Bu.
Durum Wheat:	\$3.53/Bu.
Barley:	\$2.08/Bu. or \$86.67/Ton
Oats:	\$1.28/Bu. or \$80.00/Ton
Dry Peas:	\$6.63/Cwt.

Please contact our office regarding
any direct deposit bank account
and/or farm record changes.

Have a safe and bountiful harvest
this year!



Marketing Assistance Loans

Marketing Assistance Loans (MAR) provide producers with access to low interest capital without having to sell the commodity. Commodity Credit Corporation (CCC) takes the commodity as collateral by either holding a warehouse receipt for warehouse-stored loans, or filing a lien on farm-stored loan commodities. Producers must have beneficial interest (control and title) in the commodity at the time of the loan request through the earlier of loan maturity or loan repayment. Loans mature in 9 months, but may be repaid at anytime before maturity. Most loans also allow for the option of the commodity to be forfeited to CCC to satisfy the loan obligation at loan maturity. Loan repayments are made at the smaller of principal plus interest or the CCC determined value called the Posted County Price (PCP). If the PCP falls below the loan rate for the commodity, one has the option of “locking in” a one-time repayment rate on a specific quantity applicable to the day requested, thereby allowing repayment at that rate for up to 60 days in most cases.

Commodities eligible for marketing assistance loans include wheat, feed-grains, oilseeds, pulse crops (peas, lentils, and small chickpeas), honey, wool, and mohair. The final date for obtaining a loan on 2006 commodities is March 31, 2007 for wheat, barley, oats, canola, crambe, flaxseed, rapeseed, sesame seed, and honey; January 31, 2007 for wool and mohair; and May 31, 2007 for dry peas, lentils, small chickpeas, corn, grain sorghum, soybeans, mustard seed, safflower seed, and sunflower seed. Commodities acquired through purchases, trades, or substitutions are not eligible for loan. Crops produced in 2005 are no longer eligible for loans, so please do not commingle grain from prior years in the same bin with 2006 production unless you have the old crop measured by FSA, or request to commingle prior to doing so and weighing the 2006 crop.

Commodities stored in farm storage or warehouse storage are eligible for loans. Loan service fees are \$45 per loan plus \$3 for each bin or warehouse receipt in excess of one. The interest rate for August 2006 is 6.25 percent. The interest rate is variable and applies when the loan is disbursed, and then adjusts on January 1, 2007 to the interest rate in effect at that time.

For farm-stored loans:

- Bins must have ladders and access to the commodity.
- Farm stored bins must protect the commodity from rodents, weather, insects, etc.
- Certified loans are available based on producer measurements. FSA measurement service is available for a fee of \$5 basic farm charge, \$12.50/hr. for staff time and travel, and \$0.405/mi. for roundtrip mileage.
- Crop liens are filed by FSA on loan commodities.
- Authorization to remove commodities from bins is required prior to moving.

For warehouse-stored loans:

- Negotiable warehouse receipts must be issued to the producer and presented to FSA.
- Storage must be provided for or paid from the date delivered to the warehouse through maturity of the loan. If storage has not been provided for or prepaid, a deduction for storage will be withheld from the loan rate.
- Repayments will be accepted for only whole warehouse receipts, as the receipts may not be split for loan repayment purposes. Therefore, consideration should be given to having the receipts written in the specific quantities that are intended to be sold and repaid.

Loan Deficiency Payments

Loan Deficiency Payments (LDP's) are payments that are made in lieu of the gain obtained by repaying a regular marketing assistance loan at the posted county price. A new form, CCC-633EZ, Loan Deficiency Payment Agreement and Request is the only form that is acceptable for LDP this year. Page 1 must be submitted before losing beneficial interest (selling the commodity and passing title to the buyer). This page includes the terms and conditions, and serves as the producer's intention to request LDP benefits. Most producers have already filed this Page 1 with our office shortly after they were sent to all producers earlier this year. To actually make LDP requests for grains, oilseeds, and pulse crops, Page 2 of the CCC-633EZ form must be filed with our office. Commodities for LDP are not eligible until they have been harvested, and the LDP rate will be the rate in effect on the day of request, or the date title is passed to the buyer (date beneficial interest is lost) for commodities that have already been sold. A separate Page 4 is available for LDP requests for wool or mohair.

Currently, there is not an LDP rate for any of the wheat classes. Barley prices have also increased to a level which results in an LDP rate of zero. Crops that currently have an LDP available include dry peas, lentils, small chickpeas, and wool. Producers can check the LDP rates daily on the Internet at the following address: <http://www.fsa.usda.gov/daftp/psd/ldp/>. It should be noted that crops with a LDP rate in effect that are harvested for hay are also eligible for LDP, but again Page 1 of the CCC-633EZ must be filed before selling or feeding the hay. Finally, LDP requests cannot be cancelled or replighted with the intent to put the same quantity under a marketing assistance loan, or to request another LDP on it at a later date.

Noninsured Assistance Program

The Noninsured Assistance Program (NAP) provides catastrophic coverage on crops considered to be noninsurable by USDA's Risk Management Agency (RMA). Participants with NAP coverage are reminded that a written notice of loss (Form CCC-576) for crop losses must be reported promptly to our office within 15 days after the disaster event occurred, or when damage to the crop became evident. This is very important as failure to timely report disaster occurrences could make a crop ineligible for any NAP benefits. Lastly, if the disaster affected NAP crop is not going to be harvested, a field appraisal prior to destruction or abandonment of the crop is required, which is the same procedure that is followed with crop insurance.

Producers may now purchase NAP coverage for 2007. The cost of the coverage is \$100 per crop, not to exceed \$300 per producer per county. Upcoming sales closing dates for coverage are as follows:

- **August 31** - Many vegetable crops for seed or fresh produce.
- **September 30** – Forage (hay and seed) crops and perennial grazing coverage.
- **November 20** – Orchard crops.

New Office Employee

Aaron Landreth was recently hired at the Lincoln County FSA Office as a program technician to perform program compliance. He is from the Reardan area and attended Washington State University and earned a degree in Agricultural Technology and Management in 2004. We look forward to working with him in the future as he is an important addition to our office staff.

Reasonable Accommodations

Special accommodations will be made, upon request for individuals with disabilities, vision impairment, or hearing loss. If accommodations are required, please contact Jeff Lust at (509) 725-4501 Ext. 102.

The US Department of Agriculture (USDA) prohibits discrimination in all its program and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Ave. S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.