



December 2007

LINCOLN COUNTY FSA NEWS

Lincoln County FSA

P.O. Box 47
1310 W. Morgan St.
Davenport, WA. 99122-0047
(509) 725-4501
(509) 725-4515 (FAX)

Office Hours

Monday – Friday
7:00 a.m. – 4:30 p.m.

FSA Farm Loan Office

Steve King, Farm Loan Manager
8815 E. Mission Ave; Suite B
Spokane Valley, WA. 99212-2532
(509) 924-7350

County Committee

Stan Dormaier, Chairperson
Judy Scrupps, Vice Chairperson
Pete Carstensen, Regular Member

Committee Meetings: 8:00 A.M. on
Wed. of 3rd full week of the month.

Office Staff

Jeff Lust, CED
Debbie Sweet, PT
Sally Simpson, PT
Jan Bowdish, PT
Paula Reed, PT
Aaron Landreth, PT
Nancy Reinbold, Temp. PT

Web Sites

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

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

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

Dates to Remember

Dec. 3: County Committee
election ballots due
Dec. 25: Office closed for
Christmas holiday
Jan. 1: Office closed for New
Year's holiday

2007 Lincoln Co. Loan Rates

SWW Wheat:	\$2.79/Bu.
HRS and HWS Wheat:	\$3.07/Bu.
HRW and HWW Wheat:	\$3.24/Bu.
Durum Wheat:	\$3.27/Bu.
Barley:	\$2.12/Bu.
	or \$88.33/Ton
Oats:	\$1.30/Bu.
	or \$81.25/Ton
Dry Peas:	\$6.63/Cwt.
Small Chickpeas:	\$7.43/Cwt.

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



County Committee Elections

Nominations for the Lincoln County FSA Committee have been submitted by individuals willing to serve on the Committee. **Stanlee Dormaier** has agreed to include his name for re-election in the general Davenport, Reardan, and Edwall local administrative area, and is running unopposed. Ballots have already been mailed to eligible voters in this area, and they are reminded that ballots need to be marked, and returned or postmarked to the County FSA Office by **Monday, December 3, 2007**, to be counted. Ballot return envelopes also need to be signed, and if signing for an entity always enter the word "by" in front of the signature, and enter the title for all trusts and estates. Powers of Attorneys are not authorized for voting purposes. Elected Committee members serve a 3-year term, and are eligible to serve three consecutive terms when re-elected. Thanks to all who take the time to vote.

Improper Payment Review

Nearly a year ago, we announced that FSA would be conducting a review and update of producer eligibility records needed for participation in USDA programs, and also for the purpose of preventing any improper payments from being issued by our agency. It was apparent that this review would take much longer than originally anticipated since all eligibility forms, contracts, signature authority, and related issues needed to be addressed. As we finish up this review for 2007, we thank you for your time and patience. Now as we move into the 2008 eligibility process, there are a number of items needing to be emphasized to all program participants.

Farm Operating Changes – Our farm records can only be as accurate as the information you provide our office. We sometimes happen across changes that are not reported to us well after the fact, but many programs do not allow for changes past established announced signup deadlines. Finding out those items after it is too late to correct them can result in potential program ineligibility overpayments, and other adverse consequences. We want to avoid these problems as you do too, so add our office to your list of those needing to be informed when an event occurs that in any way affects your farm. Thus, please let us know when changes have been made to your farm, for example operator changes, persons who become deceased, settling of estates, creation of new entities or revisions to existing ones, and addition or subtraction of land from the farming operation through sale, lease, or purchase, or similar type changes. No doubt there are other types of changes, so when in doubt, please let our office know of them.

Eligibility Forms – For most programs there are 3 key forms which must be on file and accurate to properly determine your eligibility for benefits. All three forms are generally considered continuous once signed; however, any changes to your farming operation would require the filing of either an update to the form, or a newly completed form. Form *CCC-502, Farm Operating Plan for Payment Eligibility*, shows how the farming operation will be conducted and structured for the current year, and is the basis for "actively engaged" and "person" determinations, which are used in payment limitation. Additionally, this 502 form is used in conjunction with *Form CCC-501, Designation of Permitted Entities*, which is used for producers with interest in entities to request payment for their share of entity benefits.

Form AD-1026, Highly Erodible Land and Wetland Certification is required to certify that you will be in compliance with the highly erodible land and wetland provisions, commonly known as "sodbuster/swampbuster." It needs to be revised before planting an agricultural commodity on any land where a 'highly erodible land' determination has not previously been made, or if you plan to do any drainage activities which may affect a wetland to include creating, modifying, improving, or maintaining new or existing drainages.

Form CCC-526, Average Adjusted Gross Income Certification is required to verify that an individual or entity receiving USDA benefits do not earn on average greater than \$2.5 million in the 3-year period preceding the year in which benefits are requested, or in the event average adjusted gross income is greater than this amount, that a minimum of 75% comes from farming or ranching activities.

Livestock Disaster Programs

Livestock disaster programs have been legislated to provide assistance to livestock producers for feed losses resulting from natural disasters between January 1, 2005 and February 28, 2007. Signup is in progress.

The **Livestock Compensation Program (LCP)** provides benefits to livestock producers who suffered weather related feed losses, or incurred additional feed costs directly resulting from natural disasters occurring between January 1, 2005 and February 28, 2007. However, LCP is limited to counties that received a "Disaster Declaration," and the major qualifying disaster event for such a designation in Lincoln County was drought in 2005. The beginning of the disaster period had been determined to be January 1, 2005. Eligible animals from commercial livestock operations, which include dairy cattle, beef cattle, buffalo, beefalo, equine, poultry, elk, deer, sheep, goats, and swine must have been in the county on the beginning date of the disaster. National payment rates have been established for each livestock category, and for example beef cattle, the rates per head are \$10.66 for adult cows and bulls, and \$8.00 for non-adult beef cattle. Producers apply for LCP in the county where their FSA records are kept. When applying for the program, producers need to provide accurate herd numbers on the beginning disaster date including size, the estimated percent of loss to feed sources due to the disaster, rangeland pasture acreage, and supporting documentation such as costs for any additional feed that was purchased due to the disaster condition. An ending signup date has not been established yet. Applications are being taken on an appointment basis.

The **Livestock Indemnity Program (LIP)** compensates livestock owners whose livestock died directly as a result of a natural disaster event, which again in Lincoln County's situation, would be drought in 2005. We anticipate that this program will have limited applicability to producers in our county.

Crop Disaster Program

Signup for the Crop Disaster Program (CDP) is in progress. Applications can be accepted for crop losses from natural disasters and related conditions that occurred in 2005, 2006, and 2007. Producers who incurred qualifying losses must choose only one year to receive benefits. Program benefits may be applied for on multiple crops as long as the losses occurred in the same crop year. *However, only those producers who obtained Federal Crop Insurance, or coverage to non-insurable crops under the Non-insured Assistance Program (NAP) are eligible for CDP.*

CDP covers losses to quantity and quality. Currently, only applications by appointment for quantity losses are being taken. Signup for quality losses will be at a later date. Producers must have suffered quantity losses in excess of 35 percent to be eligible for payment. The 35% loss threshold is determined for the higher of the producer's individual APH (Actual Production History), or the county average yield, whichever is higher. Crop records have already been received from the Risk Management Agency (RMA) for producers who collected indemnity payments from crop insurance. The payment rate for eligible losses is 42% of the established price for the crop. The maximum payment limitation for CDP is \$80,000 per person. Please call for an appointment to apply for the CDP program.

Farm Loans

FSA has *direct* and *guaranteed* loan programs available for family-sized farm businesses. FSA's loan programs are designed to help farmers who are temporarily unable to obtain private, commercial credit. Depending on the type of loan, funds can be used to purchase farms, livestock, and equipment, operate the farm, build or repair farm buildings, and in some cases refinance debts. *Direct* loans for Lincoln County producers are administered from the FSA Office in Spokane County. Call Steve King, Farm Loan Manager at (509) 924-7350 for details on *direct* loans. The loan limits for *direct* operating and farm ownership loans are \$200,000 each. The *guaranteed* loan program is offered through qualifying local banks, with a FSA guarantee on part of the loan, thus making credit available to those who the bank may not finance without such guarantee. The loan limit for *guaranteed* operating and farm ownership loans is a combined total of \$949,000. FSA also offers Youth Loans up to \$5000 that can be used by 4-H or FFA members to finance a project. Using this program helps educate our youth on the proper use of credit as well as providing practical experience in obtaining loans and the responsibility for repayment of them.

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.