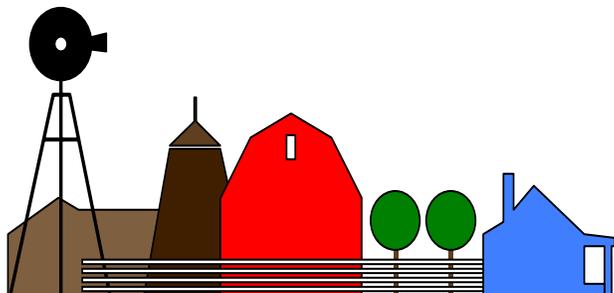


THE FARMSTEAD MITCHELL COUNTY FARM SERVICE AGENCY



County Committee:
Jane Wallace,
Charles Long,
Barry McPeak
Committee meetings: 2nd Tuesdays
Telephone (785) 738-5172
Fax Number (785) 738-2768
Office Hours: 8:00 a.m. – 4:30 p.m.

November 2006

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2007 DIRECT AND COUNTER CYCLICAL SIGNUP

Signup for the 2007 Direct and Counter Cyclical Program (DCP) is underway. To enroll, you will need to know the crop shares and when producers on the farm will want advance payments. Advance direct payments can be requested for any month beginning December of 2006, for the 2007 program. If you want advance payments issued before the 2006 calendar year ends, you will need to enroll the farm and have all signatures returned by December 11, 2006. If you enroll after December 11, we will not have time to issue the payments before the year ends.

Advance payments can only be issued for 22% of the direct payment which is less than half of the normal 50% advance of recent years. Advances can also be requested for Counter Cyclical payments which are market based and may need to be refunded if the price rises after issued. The first Counter Cyclical advance would not be issued until October of 2007, a second advance would be issued in February 2008, and the final is determined in July for wheat and oats, and in October for corn, milo and oilseeds.

	Target Price	National Loan Rate	Direct Payment	Max. Counter Cyclical Pmt.
Wheat (bu)	3.92	2.75	.52	.65
Barley (bu)	2.24	1.85	.24	.15
Oats (bu)	1.44	1.33	.024	.086
Corn (bu)	2.63	1.95	.28	.40
Milo (bu)	2.57	1.95	.35	.27
Soybeans (bu)	5.80	5.00	.44	.36
Sunflowers (lb)	.101	.093	.0080	0

Signup for the 2007 DCP ends June 1, 2007.

COUNTY COMMITTEE ELECTION

The Mitchell county election will be held for the central one third of the county. Ballots were mailed around November 4 and must be returned to the County Office by December 4.

Follow the instructions on the ballot carefully. You can only vote for one candidate and the ballot must be signed in the proper place to count. Ballots can not be signed by a power-of-attorney. If you receive a ballot for someone other than yourself, forward it to the correct person as you can not vote using a power-of-attorney.

NON-INSURED ASSISTANCE PROGRAM (NAP)

The final date to purchase NAP coverage for the 2007 crop year for all grass (hay, grazing, and seed), oat hay and alfalfa is **December 1, 2006**. This includes brome and native pastures. The sales closing date for sorghum forage and double crop milo, soybeans, sunflowers is March 15. Those who received a crop disaster payment for these crops are required to apply and purchase the NAP coverage for that crop by the sales closing date or the disaster payment is un-earned and must be refunded with interest.

Those in the NAP program must report losses in production within 15 days of the date of loss. If a loss is not timely reported, you are considered not to have a loss. With drought, a loss may not be known until harvest, so you have 15 days after harvest to report.

Even if you do not have a loss, you must report production using verifiable records. If it will be fed, you will need to pay for an inspection to have us verify it, and you will need a sample weight.

Beginning Farmers and Rural Youth Loans

FSA is authorized to assist beginning farmers to finance agriculture enterprises. Under these programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. A beginning farmer or rancher is an individual or entity who (1) had not operated a farm or ranch for more than 10 years; (2) meets the loan eligibility requirements of the program to which he/she is applying; (3) substantially participates in the operation; and, (4) for Real Estate (FO) loan purposes, does not own a farm greater than 30 percent of the average size farm in the country. (Note: all applicants for direct FO loans must have participated in business operation of the farm for at least 3 years.) If the applicant is an entity, all members must be related by blood or marriage, and all stockholders in a corporation must be eligible beginning farmers.

FSA also makes operating loans to individual rural youths ages 10 through 20 to establish and operate income-producing projects. These projects must be of modest size (loan size limited to \$5,000) and be initiated, developed, and carried out by rural youths participating in 4-H clubs, FFA, or a similar organization. The youth must be recommended by a project advisor such as a county extension agent, 4-H club or project leader or vocational teacher.

ACREAGE REPORTS

To collect program benefits including loan deficiency payments, crop loans, crop insurance, non-insured assistance program, disaster benefits, and base history, it has always been a requirement to report crop acres.

The Direct and Counter Cyclical Program requires all cropland on the farm to be certified before program benefits can be earned. Each farm must have all cropland acres reported, including old soil bank acres, waterways, feeding lots, feed crops and fallow.

The final date to report wheat, oats and barley is May 31. The final date to certify corn, milo, soybeans, sunflowers, fallow, alfalfa and other feed crops is August 1. Crops covered in the Non-Insured Assistance Program have earlier dates.

We are now taking wheat acreage reports. Plan to report your wheat acres before you get busy with spring field work.

2006 CROP LOANS

The 2006 crop loan rates for Mitchell County are as follows:

Wheat - \$2.80/bu.	Grain Sorghum - \$3.30/cwt.
Corn - \$1.90/bu.	Oats - \$1.34/bu.
Soybeans - \$4.86/bu.	Sunflowers - \$9.10/cwt.

Other oilseed crop loan rates are available if needed.

Farm stored grain for loan must meet the moisture requirements and bins must have permanent ladders outside and inside if not filled. Grain must be measurable and easily inspected or treated. **Once grain is placed under loan, it can not be moved for any reason without authorization.** There are severe penalties for moving grain without authorization

LOAN DEFICIENCY PAYMENTS (LDP's)

LDP's are direct payments when the posted county price is below the loan rate. Page 1 of the LDP request must be on file before you lose beneficial interest in the crop, which is before you lose title, control, or risk in the crop. Once the grain is sold, fed, planted, or applied to a contract, it is not eligible. Some grain purchase contracts can cause you to lose beneficial interest at delivery. If you are not sure what your contract dictates, bring it in for review.

LDP's Continued

If you will be selling the crop as it crosses the scales or hauling to a feedlot or ANY other storage facility that is not licensed or bonded, page 1 of the CCC-633EZ must be filed prior to harvesting the crop. If hauling grain to any location other than a licensed and bonded elevator or your own farm, the CCC-633EZ page 1, must be on file prior to harvest, this includes silage.

Grain delivered under any name other than the name listed as receiving a share in this office is not eligible for LDP. Make sure grain is delivered to the elevator or buyer under the proper name and not under a joint account, spouse's name, hired hand, other family member. LDP's must be requested before grain is traded, exchanged, transferred to or from another account, or given to another person or entity.

Eligible production evidence for LDP includes elevator ledgers, FSA bin measurements, sales documents or scale tickets that include all the required information. Required information is the crop, crop year, correct producer name, class (like HRW for wheat), net bushels for wheat, corn, soybeans and oats OR, net weight for grain sorghum and sunflowers.

There are many options for filing LDP requests. Make sure all those on your farm understand options and rules. For 2007 crops, we will be having page 1 of the 633EZ signed during signup.

The final date to request an LDP is March 31 for wheat, barley and oats. For corn, sorghum, soybeans and sunflowers, the final date to request is May 31.

REPORT CHANGES AS THEY OCCUR

All changes of address, operator, ownership, and direct deposit should be reported as soon as they are known throughout the year. This is especially important as payments can be misdirected and most of the time can not be redistributed.

REMINDERS



Service Center Offices (FSA and NRCS) will be closed for Thanksgiving, Christmas and New Years and will have limited staff around the holidays. We wish all of you a safe and happy holiday season.

HAPPY HOLIDAYS