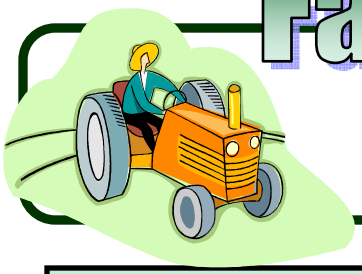
Farm Service Agency



San Juan/Grand County FSA Office
January 2007

FSA Farm Loan Assistance

Need temporary credit? Maybe we can help. FSA makes and guarantees loans to farmers and ranchers who are temporarily unable to obtain private commercial credit.

These may be beginning farmers who can't qualify for conventional loans because of insufficient net worth, or established farmers who have a lack of cash flow to meet bank standards.

These loans are tailored to a producers needs and may be used for the following purposes:

- Farm Ownership (FO) Loans: used to buy, develop, or expand a farm.
- Down Payment (FO) Loans: used to assist beginning farmers and ranchers to purchase a farm or ranch.
- Participation Loans: used to assist farmers or ranchers to purchase a farm with the assistance of a lender or the seller.
- Farm Operating Loans: used for operating expenses, family subsistence, machinery, livestock, permits, and to refinance debt.
- Beginning Farmer Loans: used to help farmers start an operation.
- Guaranteed Loans: local lenders ask for assistance from FSA to guarantee their loans for farm ownership or farm operating purposes.

Everyone needs financial help sometime. Perhaps FSA can help you with our loan programs and services to meet your farming needs. To find out how our programs could work for you just give us a call or stop in at the office.

Loans for Socially Disadvantaged

The Farm Service Agency (FSA) can make and guarantee loans to socially disadvantaged applicants to buy and operate family size farms and ranches. Funds specifically for these loans are reserved each year. A socially disadvantaged farmer or rancher is one of a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians and Alaskan Natives, Hispanics, and Asians and Pacific Islanders. Contact your local FSA Farm Loan Manager or Officer for more details and assistance in applying.

COC Elections and Organization

Thank you to all of you who mailed in your ballots for the COC elections this year. Congratulations to Ked Somerville for his election and Terri Laws for her election to the COC. Ked will represent LAA #2 (Monticello North), and Terri will represent LAA #4 (Blanding).

We appreciate our committee and their willingness to spend time and effort on behalf of all the agricultural producers in the counties.

We also wish to extend appreciation to Juan Hansen and Stephen Meyer for the time, concern, and effort given on behalf of all the agricultural producers in the counties over many years of COC service.

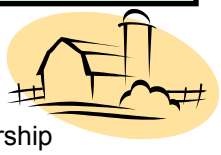
Rural Youth Loans

FSA makes operating loans to individual rural youths ages 10-20 to establish and operate income producing projects. These projects must be of modest size and be initiated, developed, and carried out by rural youths participating in 4-H Clubs, FFA, or a similar organization or with a vocational teacher or county extension agent. The project must be an organized and supervised program of work. It must produce sufficient income to repay the loan, and provide the youth with practical business and educational experience.

Delinquent Debtors Barred

Under the Debt Collection Improvement Act of 1996 (DCIA), producers owing a delinquent non-tax debt to the federal government are ineligible for federal financial assistance, including marketing assistance loans and loan deficiency payments.

Reporting Farm Changes



If you have bought, sold, or are renting different land, make sure you report the changes to the FSA office as soon as possible after they occur. For farm ownership changes, you will need to provide a recorded deed or recorded land contract. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility.

Direct and Counter-cyclical Program

This commodity based program is not a continuous program. Contracts for the DCP program must be updated each year. Once a signed contract and current lease is on file, FSA can issue an advance payment (22% of direct payment) after you designate which month you want the payment.

It is important to review your farming operation for 2007 before signing up for DCP. These questions need to be answered:

- Will you continue to rent the same property you rented last year?
- If the land in your operation won't change, do you have a signed lease from the landowner?
- Are you running your operation on a cash-lease?
- Are you changing the structure of your operation?

Reminders: Update your farm records. It may be necessary to perform a reconstitution to remove land you are no longer farming.

You are required to have a current lease or deed on file in our office for each of the farms you are running. The lease has to state that you are running the farm in 2007 in order to receive payment.

A cash-rent may be used if you rented the land last year. However, an advance payment cannot be issued for the farm until July 1, 2007.

June 1, 2007 is the deadline for producers to enroll in the Direct and Counter-Cyclical Program (DCP) for 2007. After this deadline, you will still be able to enroll in DCP. However, there will be a $100 per farm fee to enroll. The last day to enroll for 2007 is September 30. If you were eligible but did not enroll in 2006 you can in 2007.

Deadline for Wool LDP's

If you are interested in a loan deficiency payment (LDP) for wool produced during the 2006 crop year, you need to apply by January 31, 2007.

Bring wool sales receipts into the office before the deadline

Loan Deficient Payments

Loan Deficiency Payments on commodities are made when the Posted County Price for the commodity falls below the loan rate. LDP payment rates can change daily with the market. As harvest progresses and you are interested in an LDP payment, make sure you are familiar with program requirements and check the rates.

Reminder: There is a new form, the CCC-633 EZ, for requesting loan deficiency payments. This new form is designed to simplify the LDP process by combining the old CCC-633 and CCC-709. The new form is effective for 2006 and subsequent crop years.

Attention Producers & Landowners!

- Do you intend to clear native areas to create or expand existing crop areas?
- Are you converting a pasture field into a crop field?
- Are there areas on your farm(s), which you are considering cropping, which have not been cropped in recent years?
- Is there a wet spot in a field which you want to drain to make cropping easier?
- Are you disturbing a wildlife habitat area of any type?
- Are you doing anything different on your farm(s) this year?

These are Highly Erodible and Wetland provision questions which need to be considered each year by producers to assure that they may remain eligible for USDA benefits. If you have any questions or concern that something you plan to do on your farm could jeopardize your eligibility for benefits, please contract your NRCS representative before you begin work.

Conservation Compliance

Highly erodible land (HEL) compliance is still required to earn program benefits. This includes payments under DCP, Conservation Reserve Program, loan deficiency payments, farm loan program, crop insurance, and many other USDA programs. Farms with HEL soils need to be aware of tillage, crop residue, and rotation requirements spelled out in conservation plans. If you have any questions, stop by NRCS today. Take the time now to make sure your farm is in compliance! Don't wait until the plow hits the ground!

OFFICE ELIGIBILITY REVIEW

Our office is currently conducting in-depth reviews of documents used to support producer eligibility. The review is the agency's effort to ensure the accuracy of all payments made to producers. This process takes great attention to detail and more time, and must be completed before any 2007 crop-year program payments can be made.

E-Gov

If you have access to the internet and have an e-mail account, you can conduct your business online! Customers can conduct business online 24 hours a day, seven days a week with a unique User ID and password.

To obtain this authorization, customers must obtain a Level 2 Account. Go to www.eauth.egov.usda.gov and click on "Sign-Up for a Level 2 Account". Complete your customer profile, which includes creating your User ID and password. You will then receive a confirmation e-mail. You must respond to it within 7 days to activate your account. Then you must go to a local USDA Service Center to have your identity proofed. You will be required to present a government issued photo ID as proof of your identity. After a USDA employee updates your profile to a Level 2 account, then you will have access to USDA online applications and forms within one hour of your account being updated.

Once a customer has been authorized and authenticated in WebCAFF, they can access, complete, save, and submit forms on-line to Service Centers. On-line forms can be accessed at: www.sc.egov.usda.gov .

Special Accommodations

Special accommodations will be made upon request for individuals with disabilities, vision impairment, or hearing impairment. If accommodations are required, individuals should contact our office.

Foreign Landowner Notification

The Agricultural Foreign Investment Discloser Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings with the Secretary of Agricultural. FSA administers this program for USDA. Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements. It is the foreign person's responsibility to report the land transactions.

Spousal Signatures

A husband and wife may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the County Office from either spouse.

Payment Limitation and Eligibility

Determinations: Producers are reminded that no program benefits may be made until the FSA office has made all the necessary payment limitation and eligibility determinations.

Programs and Payment Limits: The following programs are subject to the following payment limitation.

DCP Direct Payment	$40,000 per crop year
DCP Counter-cyclical Payment	$65,000 per crop year
LDPs	$75,000 per crop year
Market Grains	$75,000 per crop year
Conservation Reserve Program (CRP)	$50,000 per fiscal year
Emergency Conservation Program (ECP)	$200,000
Noninsured Crop Disaster Program (NAP)	$100,000 per crop year

Providing Information: Statutory provisions require that all entities – individuals, partnerships, joint operations, corporations, trusts, etc. - provide the names, addresses, and ID numbers for the entity's members to the county committee. Also, entities must inform their members of the requirement for designating "permitted entities" for payment purposes. Spouses may be considered separate "persons" for payment limitation purposes if this determination is requested and all the applicable requirements to be determined a "person" are met.

Controlled Substance

Any person who is convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting, or growing a prohibited plant. Prohibited plants include marijuana, opium poppies, and other drug producing plants.

Direct Deposit

Payments from FSA are required by law to be Directly deposited into a producer's savings or checking account. Our office will send you a transaction statement indicating the payment type and amount. All producers were required to have initiated Electronic Funds Transfer (EFT) by January 1, 1999. Any person may request a waiver of EFT if it poses a financial or personal hardship. It is important that any changes to your account – such as bank mergers, changes to your routing number or account numbers, or if you close your account – be provided to the county office promptly to avoid possible payment delays.

Measurement Service Rate Change

The following rates are now in effect statewide:

Basic Farm Fee:	$30
Hourly Rate	$16 for 1st hour/$8 every 30 minutes after first hour (minimum of 1 hour).

Measurement service rates will apply to, but not limited to, the following services:

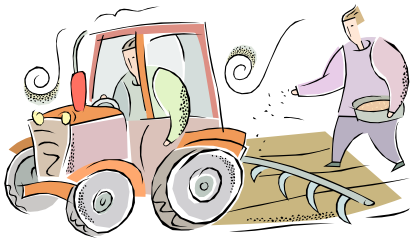
- MEASURING CROPS AFTER PLANTING
- STAKING AND REFERENCING ACREAGES TO BE PLANTED
- MEASURE ACREAGE THAT HAS BEEN ADJUSTED
- VERIFY CROPS AND DISASTER ACREAGE
- APPRAISALS
- RE-MEASURING ANY ACREAGE THAT HAD BEEN MEASURED PREVIOUSLY
- MEASURING OR SAMPLING FARM-STORED COMMODITIES
- LATE-FILED FEES. (CROP REPORTING AFTER JUNE 30TH)

Measurement service rates for performing measurement service with no farm visit or when using digital imagery in office and no on-site visit is required:

Basic Farm Fee:	$15.00 + $8/for every 30 minutes (minimum of 30 minutes)

Offsetting Payments made by FSA

The Farm Security and Rural Investment Act of 2002 does **not** exempt any program payments from being credited toward any FSA delinquent debt owed by the producer. Please call us for more information if you have a concern or feel this may apply to you.



Dates to Remember

Today	Sign-up for 2007 DCP
Jan. 15	Office Closed-Martin Luther King Jr. Day
Jan. 23	COC Meeting
Jan. 31	Final Date for 2006 Wool LDP
Feb. 19	Office Closed-President's Day
June 1	2007 DCP sign-up deadline
June 30	2007 acreage report deadline

County Information

Address:
32 S. 100 E.
PO Box 639
Monticello, Utah 84535

Phone Number:
435-587-2473
435-587-2104 Fax

Staff:
Doug Christensen, CED
Carla Sorrell, FLO
Karla Eberling, PT
Shirley Provance, PT

Office Hours:
Monday – Friday
7:00 am to 4:30 pm

Farm Storage Facility Loans

Low cost loans for storage facilities are available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, rice, soybeans, and corn.

The seven-year FSFL loans are available for the purchase and installation of eligible storage facilities, permanently affixed drying or handling equipment, or remodeling existing facilities. Eligible facilities include new conventional-type cribs or bins and new and remanufactured oxygen-limiting and other upright silo-type structures.

All farm storage facility loans are secured by a promissory note and security agreement. The maximum amount that may be borrowed is 85% of the net cost of the storage or handling equipment, up to $100,000 for each borrower. A minimum down payment is also required.

Farm Loan Information

Program	Max. Loan Amount	Use of Proceeds
Direct Farm Ownership	$200,000	Purchase land; construct buildings, or other improvements
Direct Operating	$200,000	Purchase livestock, poultry, equipment, feed, seed, farm chemicals; soil and water conservation; refinancing indebtedness with certain limitations

The United States Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital or family status. (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 USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 and Independence Avenue, SW, Washington, D.C., 20250-9410, or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.

USDA - Farm Service Agency
San Juan-Grand FSA Office
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UNITED STATES DEPARTMENT OF AGRICULTURE

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