

JUAB COUNTY FSA NEWS

FARM SERVICE AGENCY

*Juab County Office
635 North Main Street
Nephi, Utah 84648
435-623-0342*

HOURS

*8:00 A.M. - 5:00 P.M.
Monday - Friday*

COUNTY COMMITTEE

*Gordon Young
Gordon Kenison
Reid Jarrett
Ellen Jenkins
Jeff Banks, ES*

COUNTY OFFICE STAFF

*Kevin L. Stanley, CED
Lois Shepherd, P.T.
Steven Bartholomew, FLM*

March 16, 2007

COUNTY COMMITTEE

The County FSA Committee election was held in Local Administrative Area #1 back in December. Gordon Young was re-elected to a three year term on the committee. Ellen Jenkins was recently appointed as advisor to the committee. Advisors are a valued voice for under represented groups and socially disadvantaged farmers and ranchers. Ellen is replacing Connie Jarrett who served as advisor for the maximum of 9 years. We want to thank Connie for her many years of service on the county committee.

PRODUCER ELIGIBILITY REVIEW

Our office is currently conducting in-depth reviews of all producer eligibility forms and documents. This review is the agency's effort to ensure the accuracy of all payments made to producers. In most instances, producers will be required to file new eligibility forms. For entities such as corporations, limited liability companies, trusts, partnerships, etc., supporting documentation such as articles of incorporation, operating agreements, trust agreements, and partnership agreements are needed if not already on file. Documentation showing who has signature authority for the entity is also needed if not already on file. This review requires a substantial amount of time and is required before any 2007 program payments are made. We encourage producers to make arrangements to take care of this business.

2007 DIRECT AND COUNTER-CYCLICAL PROGRAM (DCP)

The 2007 DCP signup is currently underway. The DCP provides payments to eligible producers on farms enrolled in the program. The producer who experiences the risk of producing crops on the farm is the person eligible for DCP payments. An owner who cash leases land to another producer is not eligible to share in DCP payments. There are two types of payments, direct payments and counter-cyclical payments. Both payments are computed using the base acres and payment yields established for the farm.

Direct payments per bushel are: wheat \$.52, corn \$.28, barley \$.24 and oats \$.024. The direct payment for safflower is \$.008 per pound. In the past an advance payment equal to 50% could be made. Legislation has reduced the advance payment to 22% of the total payment. The advance can be made in any month from December through September if you own the farm or provide our office with a copy of a written lease agreement. Some farmers rent land on a cash basis having just a verbal agreement with the owner. The operator will need to sign a certification stating the cash lease is in effect for the current year. Advance payments on these farms cannot be made until July. If an advance payment is not requested, the entire payment will be made in October.

JUNE 1, 2007 is the deadline for the DCP signup.

FARM RECORDS CHANGES

Accurate records of your farming operation are necessary to properly administer FSA programs. If you have bought new land, sold land, leased new land, etc. please report the changes to our office. Failure to maintain accurate farm records with FSA could result in program ineligibility.

FSA ACCOMPLISHMENTS IN 2006

The Juab County FSA Office administers many USDA programs that provide financial assistance to farmers and ranchers. In fiscal year 2006, FSA made payments totaling \$1,142,977 to approximately 260 producers in Juab County. The total for the state of Utah was over \$29.5 million.

MEASUREMENT SERVICE RATE CHANGE

The following rates are now in effect statewide:

Basic Farm Fee	\$30.00
Hourly Rate	\$16.00 for first hour and \$8.00 for 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 acreage reports (reports filed after June30th)

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 + \$8.00 for every 30 minutes (minimum of 30 minutes)
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FSA FARM LOAN ASSISTANCE

FSA makes loans to farmers and ranchers who are unable to obtain 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. Loans are available for farm ownership, farm operating loans, beginning farmer loans, and guaranteed loans. Steven Bartholomew is our Farm Loan Manager. He is headquartered in the Provo office, but comes to Juab County as needed. We have loan application packets in the office and we can make appointments for producers to meet with Steven.

PAYMENT LIMITATION

A limitation on the total annual payments that a “person” may receive under agricultural programs has been in effect since enactment of the Agricultural Act of 1970. Each program has an established payment limitation that applies to all farming operations.

Producers are reminded that no program benefit may be made until the FSA office has made all necessary payment limitation and eligibility determinations. Producers will remain ineligible until all the required forms that include information pertaining to their farming operations are provided to the office. The following programs are subject to the payment limitation listed below.

- DCP Direct Payment - \$40,000 per crop year.
- DCP Counter-Cyclical Payment - \$65,000 per crop year.
- Combined LDP/Market Loan Gains: \$75,000 per crop year (wheat, corn, grain sorghum, barley, oats, Soybeans, oilseeds).
- Combined LDP/Market Loan Gains: \$75,000 per crop year (pelts, wool, mohair, and honey).
- Conservation Reserve Program (CRP) - \$50,000 per fiscal year.
- Emergency Conservation Program (ECP) - \$200,000
- Noninsured Crop Disaster Assistance Program (NAP) - \$100,000 per crop year.

SPOUSAL SIGNATURES

Husbands and wives may sign documents on behalf of each other for FSA programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse. Exceptions include claim settlements, power of attorney forms and signatory authority for an entity.

DESIGNATION BY LANDOWNER METHOD OF DIVISION FOR BASE ACREAGE

When cropland is sold or divided, landowners and purchasers have the option to use the designation by landowner method to divide contract acres or commodity acreage bases. The division is done in the manner agreed to by the original farm owner and the purchaser. The designation by landowner method may be used when any of the following apply:

- Part of a farm is sold or ownership is transferred.
- An entire farm is sold to 2 or more persons.
- Farm ownership is transferred to 2 or more persons.

When the designation by landowner method is used in the transfer or sale of land, form FSA-155, “Request for Farm Reconstitution” must be signed by the buyer and seller agreeing to the division of the contract acres. A memorandum of understanding signed by the buyer and seller agreeing to the division of the contract acres may serve the same purpose.

CONSERVATION COMPLIANCE

All participants in USDA programs are required to have a conservation system in place on all highly erodible land (HEL) that they operate. Several areas where problems can arise with complying with a conservation system are; renting new cropland, purchasing new land, and breaking out additional cropland. It is important that you contact the FSA office before doing any of the above. Also, it is very important that you contact our office before modifying – draining, tiling, dredging, filling or leveling any wetland or drainage ditch. Failure to obtain advance approval for any of these situations, can result in loss of all Federal payments and eligibility. If you have any questions about Conservation Compliance, contact our office or the NRCS office.

SPOT CHECKS BY FSA

All programs administered through FSA are subject to spot checks. Farms selected for spot check will be visited to verify program compliance and producers will be asked to submit all necessary documentation to the county office for verification.

FOREIGN LANDOWNER NOTIFICATION

Foreign investors who buy, sell or hold a direct or indirect interest in U.S. agricultural land must report their holdings and transactions to the Secretary of Agriculture. Failure to timely file an accurate report can result in a penalty with fines up to 25 percent of the fair market value of the agricultural land.

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 DC., 20250-9410, or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.

**U. S. DEPT. OF AGRICULTURE
Juab County FSA
635 North Main
Nephi, Utah 84648**

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