



October 2006

Union County News

Union County USDA Service Center

Union County FSA
332 E Waverly St
Morganfield, KY 42437
270-389-2393 (phone)
270-389-2009 (fax)
www.fsa.usda.gov/ky

Hours
Monday – Friday
8:00 a.m. – 4:30 p.m.

County Committee
David M Walker
Steve Anderson
Richard White
Sue Heine, Advisor

County Committee meets
1st Thursday of the month

Staff
Susan M Girten, CED
Linda Timmons, PT
Kathy Baird, PT
Sarah Welden, PT
Lindsey Lanham, PT
Tom Willett, Field Asst.

2006 County Committee Election Make a Difference – VOTE!

Union County will be holding an election for a committee person to represent Local Administrative Area (LAA) #3. LAA #3 includes the southwestern part of the county beginning at the Crittenden County line at Hwy 265 to Hwy 60 and following Hwy 60 north to Morganfield to Hwy 56 and continuing west to the Shawneetown Bridge.

Ballots will be mailed to eligible voters by November 3. The final date to return voted ballots to the local USDA Service Center is December 4, 2006. Newly elected county committee members take office on January 1, 2007.

Nominees for county committee member are Benjamin Dossett and Gene Shouse. Both nominees are active farmers and knowledgeable in FSA programs and services.

David M Walker has represented LAA #3 for the past 17 years. He has represented the farmers competently and we will certainly miss him and his expertise!

CONTINUOUS CRP

The program year for CRP runs from October 1 through September 30. Now that crops are being harvested, producers interested in continuous CRP should contact our office as soon as possible so that contracts can earn close to a full year's rental payment.

The effective date of the CRP contract is the first day of the month following the month of approval. Producers may defer the effective date of the contract for up to 6 months. All crops must be removed before the effective date.

Eligible practices for the continuous CRP include the following:

CP8A – Grassed Waterway

- Must meet design standards not to exceed 100 ft. in width
- 10 years
- 20% Incentive Payment
- SIP and PIP Payment

CP9 – Shallow Water Areas for Wildlife

- Cannot exceed 10 acres per tract, only 1 contract per tract
- Must include buffer strip 20 ft. to 120 ft. in width
- 10 years
- PIP Payment

CP21 - Filter Strips

- 20 ft. to 120 ft. in width
- 10 – 15 years
- 20 % Incentive Payment
- SIP and PIP Payment

CP22 - Riparian Buffer

- Tree planting required
- 35 ft. to 180 ft. in width
- 10 – 15 years
- 20% Incentive Payment
- SIP and PIP Payment

CP23 - Wetland Restoration

- Tree planting required
- 10 – 15 years
- One-time incentive equal to 25% of the restoration cost

CP31 - Bottomland Timber Establishment on Wetlands

- Tree planting required on wetlands
- 14 – 15 years

CP33- Habitat Buffers for Upland Birds

- Grasses and Shrubs
- 30 ft. to 120 ft. in width
- 10 years
- SIP and PIP Payment

SIP – Signing Incentive Payment - One-time payment of \$10 per acre for each full year (not to exceed 10 years) of CRP Contract.

PIP – Practice Incentive Payment – Equal to 40% of the total eligible cost of practice installation.

2006-CROP LOAN RATES

Union County loan rates are:
Corn - \$2.08 per bu.
Soybeans - \$5.17 per bu.
Grain Sorghum - \$3.67 per cwt.
Wheat - \$2.80 per bu.

The interest rate for commodity loans disbursed during the month of October 2006 is 6.00 percent.

CHANGE IN LDP RATES

In previous years, producers requesting an LDP on quantities where beneficial interest was lost were given the LDP rate based on the county rate where the farm records were administered.

Beginning this year, LDP rates for commodities stored or sold **will be based on the county where the commodity is physically stored, marketed, sold or fed.**

The LDP rates for Union, Henderson, and Webster counties have been the same each day. The rates for Gallatin County, IL and for Vanderburgh County, IN are different. Please contact our office for a summary listing of LDP rates by county, or to check daily LDP rates go to <http://www.fsa.usda.gov>

2006 FINAL DIRECT PAYMENTS

The final 2006 direct payments under the Direct and Counter-Cyclical Payment Program (DCP) were issued on October 2, 2006.

2005 FINAL CC PAYMENTS

The 2005 counter-cyclical rates were determined at \$0.35 per bu. for corn and \$0.27 per bu. for grain sorghum. The effective price for soybeans was above the target price, so no payment was due. The corn payments were issued on October 3, 2006.

FARM STORAGE FACILITY LOAN PROGRAM

The Farm Storage Facility Loan (FSFL) Program is available to make loans to producers to build or upgrade farm storage and handling facilities.

An eligible borrower is any person who, as landowner, landlord, operator, producer, tenant, leaseholder, or sharecropper:

- Has a satisfactory credit history, no delinquent Federal debt, and demonstrates an ability to repay debt;
- Is a producer of a facility loan commodity (corn, grain sorghum, soybeans, wheat, etc. harvested as whole grain or other than whole grain);
- Demonstrates a need for increased storage capacity if applying for a loan for a storage structure;
- Is in compliance with USDA provisions for highly erodible land and wetlands;
- Provides proof of crop insurance offered under the Federal Crop Insurance (FCIC) program;
- Provides proof of all peril structural insurance to CCC annually.

Loans may be made only for the purchase and installation of eligible storage facilities, permanently affixed drying or handling

equipment, or remodeling existing facilities. (Used structures and the cost to disassemble and move used structures are not eligible.)

The maximum term of the loan is 7 years. All loans shall be secured by a promissory note and security agreement. For loans exceeding \$50,000, a lien on the real estate on which the farm storage facility is located will be required in the form of a real estate mortgage or other security instrument approved by CCC.

The maximum principal amount of any FSFL shall be 85 percent of the net cost of the needed storage or handling equipment not to exceed \$100,000 for each borrower. The interest rate for each loan will remain in effect for the term of the loan. *The interest rate for the month of October 2006 is 4.75 percent.*

A minimum down-payment representing the difference between the net cost of the storage facility and the amount of the loan shall be made by the loan applicant to the supplier or contractor before the loan is disbursed.

The loan will not be disbursed until the storage facility has been delivered, constructed, assembled, installed, inspected and approved for use, and determined to be free of liens other than CCC's.

Dates to Remember	
November 3	Ballots mailed to eligible voters
November 10	Closed for Veteran's Day
November 23	Closed for Thanksgiving
December 4	Final day to return voted ballots
June 1, 2007	Final date for DCP sign-up