

July 2006

FSA News



Hollister Service Center

San Benito/Santa Clara
County FSA
2337 Technology Pkwy
Suite A
Hollister, CA 95023

831 637-4360 (phone)
831 636-7643 (fax)

Hours
Normal office hours are
Monday – Friday
8:00 a.m. – 4:30 p.m.

Due to staff shortage office
may at times be closed.
You **MUST** make an ap-
pointment to ensure you
will be served.

County Committee
Martin Rajkovich, LAA1
Nenette Corotto, LAA2
Ralph Santos, LAA3

Staff
Jeannine Leyva, CED
Shaun Salvetta, PT

Farm Loan Staff
are headquartered in the
Salinas Service Center 831
424-7377 (phone)

NRCS is co-located in the
Hollister Service Center, in
Suite C. Dial extension 3 to
reach NRCS staff.



Make a Difference

From June 15 through Aug. 1, farmers and ranchers can nominate eligible peers as candidates for election to the Santa Clara County Farm Service Agency county committee.

This is an important time for the community because county committee members make decisions that have significant effects on you and the area's agricultural sector as a whole.

For example, committee members make decisions on applications for federal farm program and disaster payments. Committee members play a vital role by helping local farmers and ranchers weather tough financial times and natural disasters.

Also, committee members are responsible for hiring the county executive director – a key player in the delivery of farm programs.

County committee members make many other important decisions that affect local farmers and ranchers, such as whether haying and grazing should be allowed on Conservation Reserve Program land. Talk to a county committee member or the CED for details on the types of decisions county committee members make.

To hold office as a county committee member, a person must meet basic eligibility requirements. Contact the county office staff or visit <http://www.fsa.usda.gov/pas/publications/elections> for details about candidate eligibility. Nomination forms can be obtained at the county office or online at the above address.

Remember, the nomination period runs June 15 through Aug. 1. Voting takes place in the fall. Ballots will be mailed to eligible voters by Nov. 3. Dec. 4 is the last day to return voted ballots to the county office. Newly elected committee members and alternates take office Jan. 1, 2007.

Make a Difference: Nominate and Vote!

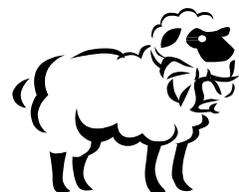
Youth Project Loans

The Farm Service Agency makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other youth organizations. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5000.

Eligibility Requirements

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Live in the open country or in a town of less than 10,000 people
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision.

Contact the Farm Loan Staff located in Salinas for more details. They will help prepare and process the application forms and answer any questions you may have about the program. Remember, FSA is an equal opportunity lender.



Emergency Loans

San Benito & Santa Clara farmers may be eligible for low-interest rate emergency loans due to recent Secretary of Agriculture disaster declarations for the contiguous counties of Santa Cruz, San Mateo and Merced.

Santa Cruz County was designated for damages and losses caused by severe storms, flooding, mudslides and landslides that occurred from March 29, 2006, through April 16, 2006. The deadline to apply for loans related to this cause is **February 5, 2007**.

San Mateo and Merced County was designated for unprecedented rainfall and severe weather conditions that occurred from December 17, 2005 through April 26, 2006. The deadline to apply for loans related to this cause is **February 15, 2007**.

To be eligible for these 3.75% loans, farmers must have suffered at least a 30% loss of production **directly related to the above disaster** and be unable to get financing from any other **source**. **Contact the Farm Loan staff in Salinas at (831) 424-7377 for more information.**

Requesting LDPs for 2006

To request 2006 crop loan deficiency payments, you must use the CCC-633 EZ, Loan Deficiency Payment Agreement and Request. Here's an explanation for each page of the form.

Page 1 – Producer's *intention to request* LDPs in the future.

- Must be signed before beneficial interest is lost.
- Terms and conditions for requesting LDPs.
- Covers all farms and all eligible crops in all counties.
- Submit one to the county office staff. Remind staff of other counties where you have farming interest.
- This is your intention to request an LDP in the future. It is not a request for payment.

Page 2 – Producer's *request for LDP* payment on feed grains, minor oilseeds, rice and pulses.

- Use after grain is harvested and in storage. You maintain beneficial interest. The LDP rate will be the rate in effect on the date page 2 is received in the office.
- Can use after beneficial interest is lost. LDP rate will be the rate in your administrative county office on the date beneficial interest was lost. Must provide production evidence.
- Use when you wish to receive LDP rate based upon date commodity was delivered to warehouse. You must maintain beneficial interest from harvest through delivery to the warehouse. Complete all required sections including item 23B.

Page 3 – Producer's *request for LDP* payment on *specific bales of cotton*. Bales lists must be presented with payment request.

- Use to lock in a rate when in module. This is irrevocable. LDP rate is based on Average World Price lock-in.
- Use for gin direct LDP. LDP rate is based on AWP on the date cotton ginned.
- Use to lock-in AWP on specific date, after ginning and is irrevocable. The LDP rate is date page 3 received in county office.
- Use when previous other options not used and you have lost beneficial interest. LDP rate based on date you lost beneficial interest in the cotton.

Page 4 – Producer's *request for LDP* payment on *sheared wool, sheared mohair or unshorn*

pelts.

- Use when wool or mohair is sheared and in storage. You maintain beneficial interest. LDP rate is based on date page 4 is received in county office.
- Use if beneficial interest is lost at shearing. LDP rate will be the rate in your administrative county office on the date beneficial interest was lost. Must provide production evidence.
- For unshorn pelts, page 4 is submitted within 60 days of slaughter. LDP rate is based upon date of delivery to slaughter company or buyer. Additional sheared wool and mohair and unshorn pelts information may be obtained from the county office.

Page 5 – Used when additional signatures are needed.

Additional items to remember

- The next time you're in the county office, please verify you've signed and submitted page 1 of the CCC-633 EZ.
- Submit CCC-633 EZ, page 2, 3 or 4 for each LDP payment in person, by fax, by mail or by filing electronically.
- Submit payment requests before the final loan availability date.
- You can use eLDP Web site to request LDP if you have e-Authentication and page 1 has been received in the county office.
- Contact our office for details.
- Form can be found at <http://forms.sc.egov.usda.gov/eforms/mainservlet>.
- FSA Web site for price supports is <http://www.fsa.usda.gov/dafp/psd/default.htm>.

Preventing Fraud, Waste

The Farm Service Agency and Risk Management Agency are partners in preventing fraud, waste and abuse in the Federal Crop Insurance Program. FSA has been, and will continue to, assist RMA and insurance providers by monitoring crop conditions throughout the growing season. In addition, FSA will refer all suspected cases of fraud, waste and abuse to RMA.

Producers can report suspected cases to the county office staff, RMA or the Office of the Inspector General.



2007 NAP Sales Closing Dates

August 1, 2006

- Fall-planted seed crops, small grains, broccoli

September 1, 2006

- Forage crops (hay & native grass)
- Mushrooms
- Floriculture
- Ornamental nursery
- Christmas trees
- Turf grass sod
- Ginseng

December 1, 2006

- Onions
- Honey

December 15, 2006

- Tree & vine crops (apples, cherries, etc)
- Strawberries & caneberries
- Asparagus

March 1, 2007

- All other annuals (vegetables)

Contact the office for more information on NAP & crop insurance.

2007 NAP – Noninsured Crop Assistance Program

Sales Closing Dates for Next Year's Crops Fast Approaching

NAP can soften financial losses caused by natural disasters, but only if you've applied for coverage and paid the application fee in advance. NAP kicks in when natural disasters result in a catastrophic loss (more than 50% of production or prevented planting (more than 35% of intended acreage) of an eligible crop. NAP coverage is available for crops for which FCIC insurance is not offered.

Eligible Crops

- Includes all types of crops that are not traditionally insurable, such as vegetables, hay, forage (native pasture), mushrooms, floriculture, & Christmas trees
- *If you are not sure whether a crop is insurable in our county, contact our office or a crop insurance agent*

Eligible Natural Disasters

- Unusual weather conditions such as drought, freeze, hail, excessive moisture
- Adverse natural occurrence such as earthquake or flood
- Must occur before or during harvest, be documented, and directly affect the crop

Eligible Producers

- Your gross revenue (and that of any individual or entity combined with you as one "person") cannot exceed \$2 million
- You must file all eligibility forms including a Farm Operating Plan and Highly Erodible Land Conservation Certification

Applying for Coverage

- Service fees must be paid in advance by the sales closing date and are NOT REFUNDABLE even if you fail to later plant the crop or meet eligibility criteria
- Service fees are \$100 per crop per county, not to exceed \$300 per producer per county
- Each person with a share in the crop must purchase coverage for their own share
- Limited resource producers may request a waiver of service fees; ask us for the criteria

Annual Reporting Requirements for NAP

- Report all acres planted by the EARLIER OF: April 30 for hay/grain crops, July 15 for spring-seeded crops, or 15 days prior to the onset of harvest for all crops.
- Provide verifiable production records showing the quantity of all harvested production for all uses (including salvage) during the year no later than the acreage reporting date of the following year
- Your records must be verifiable and clearly show final, total net production or we may assign production or deny the claim
- *Failure to report acreage & production information may result in reduced or zero NAP assistance*

Approved Yields & Payments

- Your approved yield is the average of your annual production divided by your crop acreage for the last 4-10 years. *If you do not provide acreage & production records for at least 4 prior years, your approved yield may be substantially reduced.*
- Loss is determined by comparing your actual production for the year to your expected production (which is based on your approved yield). NAP covers the amount of loss that EXCEEDS 50% of your expected production.
- The NAP payment is calculated using your acres, approved yield, net production, 55% of an average market price established by FSA, & a reduction factor if the crop is unharvested or prevented from being planted

If a Natural Disaster Strikes

- You must file a Notice of Loss form CCC-576 within 15 calendar days of the natural disaster or date damage became apparent
- You must request an appraisal if the damaged crop will be unharvested or used differently than intended & must leave all acres intact until the appraisal is completed & the acreage released
- *Late-filed notices of loss that do not allow onsite verification of the crop and the cause of loss will not be eligible*
- You must file an application for payment no later than the acreage reporting date of the following year

Now Open For
 Fun and Games



FSA Kids

www.fsa.usda.gov/fsakids

Dates to Remember

Before sell/deliver	Apply for LDP on 2006 grain/hay, safflower, & wool
Today	Report changes to farming operation
Continues	MILC Program
August 1	Deadline to submit COC nomination forms
August 1	Final date to request farm re-constitution for current fiscal year.
Sept. 30	Late-file period for 2006 DCP ends; \$100 late fee applies

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