



## Farm Service Agency

### ***A Message from Ben Brancel, State Executive Director***

*September 2007*

This winter, you will have an opportunity to participate in an important project that happens just once every 5 years, the Census of Agriculture. USDA's National Agricultural Statistics Service (NASS) will be mailing Census forms to farm and ranch operators across the country on December 28.

Through the Census, producers can show the nation the value and importance of agriculture and they can help influence decisions that will shape the future of American agriculture for years to come. By responding to the Census, producers are helping themselves, their communities and all of U.S. agriculture.

Why is the Census important? The Census is a complete count of the nation's farms and ranches and the people who operate them. It looks at land use and ownership, operator characteristics, production practices, income and expenditures and other topics.

The Census provides the only source of uniform, comprehensive agricultural data for every county in the nation.

And Census of Agriculture data is used by all those who serve farmers and rural communities – federal, state and local governments, agribusinesses, trade associations and many others. For instance, companies and cooperatives use the information to determine the locations of facilities that will serve agricultural producers. Community planners use the information to target needed services to rural residents. USDA uses the information to ensure that local service centers are staffed at appropriate levels. Legislators use the information when shaping farm policies and programs. And, of course, farmers and ranchers can use Census data to help make informed decisions about the future of their own operations.

By law, the Census of Agriculture is the responsibility of every farmer and rancher, regardless of the size or type of operation. For Census purposes, a farm is any place from which \$1,000 or more of agricultural products were produced and sold, or normally would have been sold, during the Census year.

Thank you for your participation in this important project. And best wishes for a successful harvest.

### **September 30th Final DCP Deadline**

Producers who missed the August 3, 2007, deadline still have until September 30 to enroll in the 2007 Direct and Counter-Cyclical Program. Applications will be considered late-filed and a \$100 late filing fee per farm will be assessed.

Contracts must be signed annually to receive benefits for the current year. Producers are also reminded to submit all supporting documentation such as cash leases by the September 30, 2007 deadline.

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## CREP

The Conservation Reserve Enhancement Program (CREP) is a spin off of the Conservation Reserve Program that allows farmers and ranchers to voluntarily idle environmentally sensitive land, decrease erosion, restore wildlife habitat and safeguard ground and surface water. CREP is a partnership with federal and state government and is limited to specific geographic areas.

Like CRP, CREP contracts require a 14- to 15-year commitment to keep lands out of agricultural production. CREP provides annual rental rate payments to participants who enroll eligible land. There are also maintenance payments, cost-share of up to 50 percent on practices installed, and other sign-up incentives for participants to incorporate select combinations of environmentally beneficial practices.

For details about CREP contact your local county office.



## NAP Coverage

The Non-Insured Crop Disaster Assistance Program (NAP) was designed to reduce financial losses that occur when natural disasters cause a catastrophic loss of production or prevented planting of an eligible crop by providing coverage equivalent to catastrophic (CAT) insurance. Statute limits NAP to each commercial crop or agricultural commodity, except livestock, for which Federal Crop Insurance CAT is not available.

The application deadline date for 2008 NAP coverage of perennial crops including apples, grapes, blackberries, blueberries, cranberries, raspberries, strawberries, asparagus, honey and maple sap is November 20th, 2007.

Producers, who already have coverage on 2007 NAP crops may choose to continue coverage on the same crop or crops for 2008, if the applicable service fee is submitted by the application closing date. A new CCC-471, application for coverage is not required to be signed when applying for continuous coverage of the same crop or crops.

Producers who choose to add a new crop (s) or delete a crop (s) from previous year's coverage or changing crop shares must file a new CCC-471 with signatures and pay the applicable service fee.

Producers with 2007 NAP coverage must remember to complete the following to qualify for benefits:  
Timely file acreage reports and keep track of harvested production using acceptable methods .  
File a "Notice of Loss" within 15 days of when a loss is apparent, due to drought, hail, etc.

Application closing date for coverage on 2008 perennial forages, in counties where FCIC coverage is not available, is September 30th. Example; Alfalfa , red clover, Alfalfa mixes . September 30 is also the application closing date for 2008, winter wheat and mint. For more information on NAP coverage please contact your local county office.



## County Committee Election

The election of responsible agricultural producers to FSA county committees is important to ALL farmers and ranchers with large or small operations. It is crucial that every eligible producer take part in this election because county committees are a direct link between the farm community and the U.S. Department of Agriculture.

Committee members are a critical component of the day-to-day operations of FSA. They help deliver FSA farm programs at the local level. Farmers who serve on committees help decide the kind of programs their counties will offer. They work to make FSA agricultural programs serve the needs of local producers.



*Make a Difference: Nominate and Vote!*

### Important Election Dates

**November 2, 2007:**

Ballots mailed to eligible voters.

**December 3, 2007:**

Last day to return voted ballots to the USDA Service Center.

**January 1, 2008:**

Elected committee members and alternates take office.

## FSA Outreach

To ensure maximum participation in FSA programs and services for underserved customers, the FSA Outreach Staff works with its partners and customers to eliminate the following barriers:

- ◆ All forms of discrimination, including racial, ethnic, cultural, and gender prejudices;
- ◆ Language, communication, transportation, and FSA program requirements and signup procedures;
- ◆ Limited access to FSA programs in remote areas.

The FSA Outreach Program:

- ◆ Provides resources to assist underserved farmers and ranchers improve their income through better farm management and financial planning;
- ◆ Provides information on loans, farm commodities, and conservation programs to underserved farmers and ranchers who are unable to obtain conventional credit;
- ◆ Works with community-based organizations (including churches; social groups; 1862, 1890, and 1994 Land Grant Colleges and Universities; Hispanic Association of Colleges and Universities; and tribally-controlled colleges to provide technical assistance, training, and enhanced program delivery to underserved communities and other USDA agencies;
- ◆ Helps customers understand USDA programs and fill out program forms;
- ◆ Provides program and service information to all customers in a customer-friendly and timely manner.

For more information about Outreach Programs, call 608-662-4422 ext 141

## FSA Interest Assistance Program Redesign to Assist Beginning Farmers

On June 8, 2007, FSA amended its Interest Assistance Program. Under this program FSA subsidizes lender interest rates by 4% for qualified borrowers.

A new \$400,000 lifetime maximum interest assistance loan amount has been established. By limiting this amount, FSA hopes to provide assistance to more farmers, particularly beginning farmers and socially disadvantaged applicants.

To qualify for FSA's interest assistance program, applicants must demonstrate using a typical farm business plan that they cannot cash flow without interest assistance, but can cash flow with it. Once determined, eligible borrowers receive the interest rate benefit associated with the program for a 5-year period. Beginning farmers may qualify for a second 5-year period, provided they are determined eligible, before the expiration of their first agreement. Beginning farmers also benefit from an exception to the 50% pre loan debt to asset ratio requirement established for the program.

The terms of Interest Assistance Agreements entered into before June 8, 2007 are not affected by these program changes.

Producers interested in an FSA guaranteed loan should contact a participating lender.

For more information concerning FSA's direct or guaranteed loan programs including a list of participating lenders, contact your local FSA office.

## Loans for Socially Disadvantaged

The Farm Service Agency is dedicated to promoting greater involvement in farming and ranching by women and minorities. Each year, we reserve a portion of our farm loan funds especially for socially disadvantaged applicants.

A Socially Disadvantaged (SDA) farmer is a member 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 individual qualities. For purposes of the SDA Loan Program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asians, and Pacific Islanders. SDA loans are available for farm ownership and operating loans.

SDA farm ownership loans may be used to purchase or enlarge a farm, purchase easements, erect or improve buildings, and pay closing costs. SDA operating loan funds may be used to purchase livestock, equipment, feed, seed, fuel, fertilizer, chemicals, crop insurance, food, clothing, and medical care. SDA farmers must meet the same loan eligibility requirements as traditional applicants.

## Maturing Commodity Loans

This is a reminder that commodity loans on farm stored corn and soybeans may mature in August and September. Take a moment to inspect the condition of the grain during this weather pattern of humid air and fluctuating temperatures.

Don't forget, grain under Commodity Credit Corporation loan cannot be removed without prior authorization or repayment. Unauthorized removal, which includes removal for cleaning for seed or planting, is a violation and is subject to monetary and administrative penalties.

Your loans are subject to spot checks. Determined shortages must be repaid with principal plus interest, and additional monetary penalties plus loss of future loan eligibility may apply. Producers planning to remove or clean CCC loan grain should contact the county office staff for additional information.

### Effective as of August 1, 2007

Program	Interest Rates
Farm Operating- Direct	5.50%
Farm Ownership- Direct	5.625%
Farm Ownership- Direct, Joint Financing	5.00%
Farm Ownership- Direct Down Payment, Beginning Farmer/Rancher	4.00%
Emergency Loan- Amount of Actual Loss	3.75%

## FSA's 2007 National Compliance and Spot Check Review

FSA is committed to delivering accurate program payments to America's agricultural producers. The accuracy of payments not only benefits farmers and ranchers, but also maximizes taxpayer dollars and government efficiency.

As part of the 2007 National Compliance Review, FSA's national office is requiring local FSA county offices to conduct compliance reviews and spot checks of certain producers selected by the national office through a statistical sampling method. A statistical sample of FSA employees, County Committee (COC) and State Committee (STC) members have also been selected for review using this same process.

FSA may review a producer's operations in multiple states and counties, depending on the scope of the producer's operations. FSA will review both the accuracy of the representations made by the selected producers in connection with participation in FSA programs, as well as the producer's compliance with applicable program requirements. The reviews may need to be conducted at various times throughout the year depending on the FSA programs in which the producer is participating. FSA appreciates the cooperation of its customers as the agency continues to enhance its operations.

FSA's goal is to ensure that program dollars are delivered effectively and efficiently so America's farmers and ranchers can provide safe and abundant food, fiber, and fuel for consumers at home and abroad.

### Controlled Substances

Program participants convicted under federal or state law of any planting, cultivating, growing, producing, harvesting or storing a controlled substance are ineligible for program payments and benefits.

If convicted of one of these offenses, the program participant shall be ineligible during that crop year and the four succeeding crop years for direct and counter-cyclical payments, price support loans, loan deficiency payments, market loan gains, storage payments, farm facility loans, Non-insured Crop Disaster Assistance Program payments or disaster payments.

Program participants convicted of any federal or state offense consisting of the distribution (trafficking) of a controlled substance shall, at the discretion of the court, be ineligible for any or all program payments and benefits:

- ◆ up to 5 years after the first conviction
- ◆ up to 10 years after the second conviction
- ◆ Permanently for a third or subsequent conviction.

Program participants convicted of federal or state offense for the possession of a controlled substance shall be ineligible, at the discretion of the court, for any or all program benefits, as follows:

- ◆ up to 1 year upon the first conviction
- ◆ up to 5 years after a second or subsequent conviction.

### Preventing Fraud

The Farm Service Agency has joined with the Risk Management Agency to prevent 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 office, or the Office of the Inspector General.

### Farm Bill

Every 5 to 7 years, Congress examines and reauthorizes the federal farm, food, and rural policies of the U.S. These policies are part of a legislative package called the "Farm Bill" and set the overall direction of the U.S. food system for a specified period of time. Many of the provisions in the current farm bill, the Farm Security and Rural Investment Act of 2002, are scheduled to expire in 2007. As a result, the 110th Congress is expected to reauthorize the Farm Bill sometime this year.

### WI FSA on the Web

<http://www.fsa.usda.gov/FSA/stateoffapp?mystate=wi&area=home&subject=landing&topic=landing>

## **Cropping Former CRP Land – Don't Lose Ground**

Before you decide to crop or graze former Conservation Reserve Program (CRP) land, there are a number of issues you should consider.

### **CRP Rebuilds Soil Quality**

After sitting untilled and unharvested for 10 years or more, the soils beneath the CRP cover have begun to recuperate. Soil tilth and organic matter will have improved dramatically, as well as water-holding capacity, water infiltration, and microbial activity. Earthworms will have been busy recycling nutrients and aerating the soil to make a better root zone.

### **Don't Throw Away Gains in Soil Quality.**

Using no-till will not only maintain but continue the gains in soil quality and organic matter (carbon). It will also keep the soil compaction-free. Generally speaking, soil quality will improve noticeably after 6 years of no-till. But CRP land is already in good shape and free of compaction. Manage your fields and the soil to maintain the benefits accrued during the CRP years.

If grazing is an option for you, consider grazing instead of cropping. Former CRP land may convert easily to good grazing land, and may qualify as organic. Grazing the land will continue the improvements in soil quality, without the risk of erosion that comes with cropping highly erodible fields.

### **Conservation Compliance Counts**

Remember, former CRP land is subject to Conservation Compliance. This means that highly erodible fields must be cropped using an acceptable conservation system. Furthermore, ephemeral (gully) erosion must be controlled, so leave the sod in the channels to serve as grass waterways. Make sure you have a conservation system in place to remain eligible for USDA benefits, including commodity price support payments, and farm and storage loans.

### **Fertility issues**

If you are converting to cropland, test the soil and monitor the pH. You may need additional nitrogen the first year.

If you have questions or concerns about conservation on former CRP land or conservation compliance, contact the NRCS office in the USDA Service Center for your county or the county Land Conservation Dept. [www.wi.nrcs.usda.gov/contact/](http://www.wi.nrcs.usda.gov/contact/)



## **Environmental Quality Incentives Program—Get Ready for 2008 Signup**

The 2008 sign-up period for EQIP is anticipated in late November-December, 2007. Generally, conservation practices offered will be the same as last year, however payment rates may vary from last year. As more information on the 2008 sign-up becomes available, it will be posted on this webpage [www.wi.nrcs.usda.gov/programs/eqip.html](http://www.wi.nrcs.usda.gov/programs/eqip.html). You may also contact your local NRCS office for up-to-date payment and practice information for the 2008 sign-up.

### **Wisconsin NRCS [www.wi.nrcs.usda.gov](http://www.wi.nrcs.usda.gov)**

Information on NRCS programs, technical resources, engineering, soils, and more.

### **Directory of WI NRCS offices and contacts**

[www.wi.nrcs.usda.gov/contact/directory.asp](http://www.wi.nrcs.usda.gov/contact/directory.asp)

**Web Soil Survey** – on-line access to field by field soil maps and soil information

<http://websoilsurvey.nrcs.usda.gov/app/> (don't use www)

*Useful websites:*

## Reminder – Spread manure before snow flies

To avoid the risk of surface and ground water contamination, check out your manure storage needs and plan ahead for fall/early winter manure spreading. The goal is to apply or inject manure before snow cover and frozen ground makes runoff more likely.



- ◆ Apply manure before or after tillage on fall chisel plowed land.
- ◆ Apply to corn fields after silage harvest.
- ◆ Inject liquid manure using sweeps.
- ◆ Avoid spreading manure on snow or partially frozen soil.
- ◆ Avoid applying manure on very wet soils.
- ◆ Avoid spreading manure on waterways and other areas of concentrated flow.
- ◆ If you have storage, empty it by late fall to allow capacity for the whole winter. February and March are the most risky times to spread manure. Heavy spring rains and snows lead to quick melting and severe runoff.
- ◆ If you don't have storage, identify some low risk fields for winter and spring spreading.
- ◆ If you must spread in the winter, apply manure on level, chisel plowed fields, in direction of plowing. Apply to areas with little or no upslope runoff

## Cover Crops: Where, When, Why

Cover crops can save your soil from eroding and hold excess nutrients over winter for next year's crops. They are best suited for crop fields with sandy soils, or steep highly erodible soils, following low residue crops like soybeans, vegetables or corn silage, or if the crop residue will be removed for stover.

Cover crops can also capture and hold nitrogen that was not used up by the previous crop, possibly due to drought and a poor yield. The cover crop will soak up the leftover N and release it back into the soil in the spring after winterkill or chemical burndown.

Cover crops such as annual rye, oats and winter wheat can be planted as soon as possible after harvest on fields where residue won't adequately protect the soil from erosion during winter and spring. Legume cover crops add nitrogen to the soil, and provide low-cost fertilizer for subsequent grain crops.

Cover crops may not fully provide the erosion protection that residue from corn provides, but it's far better than no residue at all.





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<b><i>Dates to Remember</i></b>	
September 30	Final date to enroll in 2007 DCP
September 30	Application closing date—2008 perennial forages, winter wheat, and mint
September 30	Acreage and inventory reporting date for value loss crops
November 20	Application deadline for 2008 NAP coverage of perennial crops—honey and maple sap
Continuous	Farm Storage Facility Loans
Continuous	Conservation Reserve Program continuous signup

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