

JANUARY 2008

STEVENS COUNTY FSA NEWS

Stevens County FSA

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Office Hours

Monday – Friday
8:00 AM – 4:30 PM

County Executive Director

Martin A. Cunningham

Farm Loan Manager

Steve King (509) 924-7350

County Committee

John H. Steele - Chairperson
Bruce Stumpf - Vice Chair.
Doug Falstad – Reg. Member
Gayla McCanna - Advisor

Web Sites

National:
www.fsa.usda.gov

WA State:
www.fsa.usda.gov/wa

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County Committee Election Results

Ballots were counted Friday December 7th and John H. Steele of Fruitland was elected to another three year term on the committee. We would like to thank John for running again and also thank all the producers that took the time to vote.

Livestock Compensation Program

Sign up for the Livestock Compensation Program continues. Several ranches have completed applications since mid-September with the first payments disbursed the week before Christmas. In order to apply, you will need to know the number of animals in inventory January 1, 2005 that were grazed during the 2005 pasture season. You will also need to have a list of the pastures used during 2005 and their acreages. The payment formula compares a value based on the number of animals to the value of the pasture loss. Most applications for beef operations result in a payment of \$10.66 per cow. Please call for an appointment to apply for this program.

Farm Bill News

The Senate passed its version of the Farm Bill in mid-December and the House had previously completed its legislation in July. The two versions must now go to conference and be combined into a final bill. The final legislation must then be passed by each body before going to the President for final approval or veto. It is really anyone's guess as to how long it may take for the process to be completed. At this time, we do not have any information regarding what the new farm bill will offer in place of the Direct and Counter-cyclical program, whether there will be advance payments or any other details. Watch this newsletter for updates on the progress of the farm bill and sign ups for new programs.

Crop Disaster Program 2005, 2006, and 2007

Sign up for the Crop Disaster Program (CDP) is in progress. This program may provide some additional assistance to those suffering from a crop loss in 2005, 2006, or 2007. For 2007, crops must have been planted or prevented from being planted before February 28, 2007. If a loss was experienced in each of the listed years, only the year with the greatest loss will be paid. **ONLY those producers who purchased** Federal Crop Insurance Coverage (FCIC) or Non-Insured Assistance Program (NAP) insurance in the year of the loss are eligible for benefits under this disaster program. Crops covered under other insurance policies, such as Adjusted Gross Revenue (AGR), AGR-Lite and Written Agreements are also eligible. County offices have received information from the Risk Management Agency (RMA) outlining who in each county had crop insurance coverage in the years 2005, 2006, and 2007. The Crop Disaster Program does not pay for revenue based losses (i.e., if the price dropped, that is not an eligible loss). To be eligible for a CDP payment, you must have suffered a loss in production of more than 35% of your historic proven yield or the county established average, whichever is greater. Program payments are limited to \$80,000 per eligible person or entity.



If you received an indemnity payment on your insured crop, you will not be required to provide the county office with any additional production records for production losses. If your harvested production did not qualify for indemnity, yet you believe your loss was greater than 35% of your historic yield or the county established average, you may need to bring your production records into the county office for us to review. If you had a loss for crops covered under NAP, and have not provided the county office with your production records, you will need to do so.

Dairy Disaster Assistance Program

Since January 2005, dairy production in many U.S. counties has been severely impacted by widespread and significant destruction caused by various natural disasters such as hurricanes, wildfires, ice storms, heavy rainfalls, floods, severe blizzard conditions, and extreme heat. As a result, many dairy producers incurred devastating decreases in production because of cattle and yield losses and produced milk that had to be dumped because of a lack of electricity, closed milk plants, and damaged containment equipment. This new program provides direct payments to eligible dairy producers who suffered production losses as a result of natural disasters occurring during the period of January 1, 2005 through February 28, 2007.

Payments will be calculated using a state average yearly production multiplied times the number of cows in the dairy operation. Actual marketed production will then be subtracted from the average production to determine the loss amount. If the actual production is less than the average production, the operation is eligible for payment. A payment rate of \$.12 to \$.14 per pound will be used to calculate the final payment.

A base period of 2005, 2006, or the first two months of 2007 must be selected. A disaster declaration must be tied to the chosen year in order to be eligible for payment and the dairy's loss of production must be the direct result of the disaster condition.

Farm Loans Available

Applications are currently being accepted for farm operating loans and farm ownership loans. You must be unable to obtain credit through regular commercial sources to qualify for these loans. Direct loans are administered by the FSA Office in Spokane County. To begin the loan process, contact Steve King, Farm Loan Manager at 509-924-7350. Operating loans include financing for the purchase of machinery or livestock as well as annual operating expenses. The guaranteed loan program is offered through qualifying local banks. FSA guarantees a portion of the loan, thus making credit available to those who the bank may not finance without a guarantee. FSA also offers Youth Loans up to \$5000 that can be used by 4-H or FFA members to finance a project. Using this program helps educate our youth on the proper use of credit as well as providing practical experience in obtaining loans and the responsibility for repayment.

Spousal Signatures

Husbands and wives may sign farm program documents on behalf of each other for FSA and CCC programs. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse. There are important exceptions to this rule as in the case with most Farm Loan Program documents and forms.